FORUM
Vol. CXI No. 5

Man vs. Bureaucracy

I. The Problem

Can security and liberty be reconciled

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ON February 7, 1949, the Hoover Commission on Organization of the Executive Branch of the Government presented its first report to Congress. The subsequent reports have since appeared in rapid succession and have attracted wide attention.

The Hoover Commission was appointed to study organizational conditions in the Executive branch of the Government of the United States, and to make recommendations for their improvement, with an eye to promoting "economy, efficiency, and improved service."

The Commission has done an outstandingly thorough and disinterested job. It has had the courage to disclose the facts it has discovered, and to let the chips fall where they may. It has also recommended a more through-going plan of reorganization than has previously been proposed.

The Commission describes the federal government of the United States as the "most gigantic business on the earth." In less than 20 years the number of its civilian employees has increased from 570,000 to 2,100,000. The number of its "units" has multiplied by four, now standing at more than 1,800. Its annual expenditures have risen from about three and one half billion dollars to over 42 billions; and the national debt from $500 per family to about $7,500.

The 2,100,000 federal employees make up what is known as the administrative arm of the national government. This vast and increasing army must be paid out of the pockets of the people. Every taxpayer thus has a vested interest in economy and efficiency in government. Whether a given piece of machinery in any area of operation is economical or efficient, however, depends on the work it has to do and the ends to which it is directed.

More important, therefore, than the immediate financial interest of the taxpayer, is his interest in what he's getting for his money. What are the implications of the present massive development of administration for the essentials of twentieth century democracy? These essentials are, on the one hand, the underlying concept of the dignity and worth of the human being as a rational and moral creature, as the ultimate value to be cherished; and, on the other, the governmental forms and procedures that have been understood to follow logically and naturally from this basic tenet.

The administrative function in government is not new. Though present in government, whenever and wherever government has existed, it has defied close definition. A whole literature has been concerned with the attempt

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to define it. In the last analysis, administration consists in the actual doing by a governmental official of what the law empowers or directs him to do.

The task of definition has been made more difficult, especially in Anglo-Saxon countries, by the acceptance of the exclusive threefold division of governmental power into the legislative, the executive, and the judicial. The principle of the separation of power is as old as Aristotle. In seventeenth century England John Locke presented a threefold separation and in the mid-eighteenth century in France Montesquieu gave the classical form to the doctrine. This analysis was accepted by the framers of the Constitution of the United States, and discussion of the Constitution, in the Federalist Papers and elsewhere, was carried on in these terms.

While the three forms of power are nowhere specifically defined in the Constitution, it is clear that the legislative function is conceived to be that of determining policy through the making of law; the judicial, that of interpreting the law in cases of alleged breach; and the executive, that of "seeing that the laws are faithfully executed."

LIBERTY

According to both Locke and Montesquieu, the distribution of governmental power among different organs was not only a logical arrangement. It was essential for the protection of the "liberty" of the individual. The belief was shared by the members of the Constitutional Convention and found expression in the Constitution of the United States. "The accumulation of all powers, legislative, executive, and judicial in the same hands," wrote James Madison in the Federalist, ". . . . may justly be pronounced the very definition of tyranny."

Liberty, as conceived by Locke and Montesquieu and by the framers of the Constitution, consisted essentially in intellectual freedom:—freedom of speech, press, religion, assembly, and association; and also in freedom to pursue one's own way of life:—to engage in the business of one's choice, and to own and accumulate property without government interference. Their philosophy in this respect was laissez faire.

The administrative function as defined above would appear to be more closely allied with the executive than with the other two forms of power, inasmuch as the administrative is primarily concerned with putting the law into effect. In reality, however, the actual development of administration shows that the matter is not so simple as this would suggest. Because of its nature, the administrative function does not fit into the scheme of the threefold separation of power. The implications of this for the individual in a democratic state have become constantly more perplexing as the administration has come to play a progressively more important role.

The role of administration in the state has at all times borne direct relation to the degree of control over the individual exercised by government. Under the Mercantilist System of the seventeenth and eighteenth centuries, a complex administrative structure was built up for the purpose of putting legal controls over economic life into effect. The Industrial Revolution and the age of laissez faire brought a diminution of this machinery for want of laws to be administered.

The doctrine and the practice of laissez faire were based upon the significance of the individual and upon the belief that freedom and equality belonged to him by natural right. It held that the welfare of the individual and of society was greatest when the freedom of the individual was most completely protected against governmental interference. In time, however, unbridled competition among individuals led to the realization that the free working of such a system must result in the domination of the strong individuals over the weak.

Increasing industrialization and the resulting complexities of economic life aggravated these conditions. In the United States, the disappearance of the western frontier, with what had seemed to be its limitless opportunities, and the development of urban life tended to place some individuals at the mercy of others, not only in economic matters, but also in education, health and sanitation, building and housing, and countless other respects. The degree of liberty of choice, and of enjoying the good things of this world, and the degree of equality that had existed under earlier, simpler, circumstances, became increasingly a myth. The sufferings and discontent of those less advantageously situated became so great that men turned for relief to the state, as in similar sit-

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uations they have always turned—for better or for worse. No effective alternative having been found, they looked to government for the correction of what had come to be regarded as evils affecting not only the individuals directly concerned but society at large.

Government, accordingly, again intervened in regulating these various phases of life. The concept of the public good, the public interest, and the good society now occupied a place alongside the older concept of the freedom of the individual, as an objective to be sought. Under the impact of this newer point of view, the ideas of freedom and equality themselves underwent a change. Intellectual freedom remained of first importance. The relatively unhampered freedom of the fortunate few to pursue their lives as seemed to them best, however, now assumed less importance than an economic security for the many which would allow them certain economic freedoms they had not previously enjoyed, and which should now be guaranteed by laws restricting all alike. Equality was no longer something existing rather precariously in nature, but something to be achieved through law.

REGULATION

Meanwhile the technological age had come. The conditions with which the individual found himself confronted in his struggle for survival were overpowering in their complexity and difficulty. Governmental help and direction seemed the only way out. The problems of regulation that faced the lawmakers were technical in the extreme. The natural laws and forces conditioning an ever increasing number of aspects of life had to be sought out and taken into consideration in bringing them under control. This obviously called for more expert knowledge on a far greater variety of subjects than could be possessed by the legislator. Inevitably the lawmakers had to confine themselves to broad generalizations and to statements of objectives. The administrators were entrusted with carrying out the law and filling in details in applying it to specific cases. They have had to possess technical knowledge and "expertise" and to be provided with staffs of civil servants even more expertly equipped in special fields than they themselves.

Since so much of life was now dependent on scientific mechanism, and, as it appeared, on scientific measurement, a great temptation loomed before those to whom men looked for guidance out of the labyrinth. Should they go beyond mere regulation and indulge in planning over a longer range? The concept of the function of government has changed from the negative and remedial to the positive and preventive. It has meant a greater regimentation of the individual and, to that extent, less freedom for him in choosing his way of life. Whether it has brought him compensating freedoms in the form of economic and social security is one of the focal problems of the administrative age.

All these developments have brought with them considerable modifications in the machinery of the regular "executive departments" of the national government. A new form of administrative machinery outside the executive departments, the "administrative boards and commissions," has come into being. To these commissions, as well as to the executive departments, has been entrusted what is known as "rule making," supplementing the broader provisions of the law with necessary detail. Since the rules they make are given the force of law, these agencies possess a large measure of what is in effect legislative power. Their authority does not stop here. They have in many instances been given authority to deal with legal questions raised as a consequence of the rules they make and thus to exercise also a quasi- or subjudicial function. The Federal Power Commission, for example, has the power to decide disputes concerning the granting and revocation of licenses; the Interstate Commerce Commission settles controversies resulting from objections to its orders raised by those adversely affected. This power has been conferred because the members of the regular courts have neither the time nor the competency to decide all the issues, especially those of a technical nature, that may arise.

In addition to the growing size of the federal administrative establishment, the Commission also reported diffusion and confusion of the lines of authority, overlapping and duplication of function, with resulting waste, inefficiency, and drain on the taxpayer.

Has the attempt to meet the needs of the technological age by the administrative method meant too great a sacrifice of individual liberty in the interest of economic and social security?

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Could the desired ends be achieved without so great a cost as has actually been paid?

Interpreters of the contemporary development of the administrative state admit that the values prized by the administrator incline to be materialistic rather than spiritual. They point out that to him the "public interest" tends to be of greater importance than individual right, with the suggested implication that there can be, and is, a public or general interest apart from, and greater than, that of the individuals who comprise society.

The incredible extent to which each person is subject to rulings and directives about which he has no say, through his elected representatives, has brought forth shrill warnings. We recall, among others, Lord Chief Justice Hewart's *The New Despotism* (1929), Herbert Hoover's *The Challenge to Liberty* (1934), James Burnham's *The Managerial Revolution* (1941), and Friedrich Hayek's *Road to Serfdom* (1944).

Herbert Hoover in his *The Challenge to Liberty* is chiefly concerned with what to him are the pernicious effects on human liberty, in terms of intellectual and spiritual freedom, of the control of economic life by the state. He refers only indirectly and by implication to administrative machinery and its significance, as the technique through which the state exercises this control. That he recognizes the administrative problem in these terms is, however, clear throughout the book. His concern with liberty in this work, and his awareness of the implications of administrative techniques, make it more surprising that in the reports of the Hoover Commission of this year there is practically no reference to this aspect of the problem. It is true that there was no mention of it in the mandate to the Commission, which was couched in terms of economy and efficiency, and that these two problems have to do primarily with structure rather than with "practices and procedures."

In *The Managerial Revolution,* James Burnham declares bluntly that the most significant revolution in our time has been the coming into "sovereign" power of what he calls the "managers." These are the men found in control of the great economic combinations as well as of the state, who have come into these positions, not through the actual ownership of wealth. Their dominance rests upon the fact that they alone have the ability and the "know how" to direct affairs in an age too complicated for any but the few highly gifted in this respect.

In the state, the managers are the administrators par excellence, who to all intents and purposes, he holds, actually make the law; effective sovereignty resides in them.

Friedrich Hayek, in his *Road to Serfdom,* takes the position that the wants of men are so complicated and so varied that it is impossible for agreement to be reached upon them through the legislative process. If government is to act, therefore, in the economic sphere, decisions with regard to specific ends to be sought must be left to the experts, i.e., the administrators, who, like Burnham's managers, thus become the actual rulers of the state. Somewhat more optimistic perhaps, than Burnham, Hayek seems to think that the "serfdom" resulting from this situation can still be averted by the state's refraining from the control of economic life, and above all by the avoidance of economic planning by government.

It will have been observed that, while the writer of each of these books approaches the problem from the angle of his own particular concern, the common focal point is the effect of government regulation exercised by the administrator or bureaucrat upon democracy and its values in terms of the individual and individual liberty in the larger sense.

Directed at the over-simplification of the problem and its remedy in Hayek's book was *Road to Reaction* by Herman Finer. Finer, in common with most serious students of administration, attempts to find a middle of the road solution that will take into account the realities with which we are immediately confronted in a technological age, as well as the values that we wish to preserve. He finds it in a combination of individualism and collectivism, and in methods of control over the administrator.

The secret of preserving democratic liberties over against the dictatorial tendencies of an administrative machine which seems to be an unavoidable necessity in any forseeable future, must lie in adequate political and legal control. This problem will be pursued in later articles in this series.

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The Economic Basis of Southern Politics (I)

Part one of a four-part series

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MANY students of reconstruction in the South have prefaced their studies with melancholic recitals of the damages done the region. Reconstruction stands as a major landmark in Southern history, and there is no possible way of erasing this fact. Before any intelligible comment can be made about what happened in the South since the war, it is necessary to understand what occurred during reconstruction. One commentator on this period of Southern development has ably denied that the war divided the Old South from the New, or that there has ever been any such thing as the New South in the sense that there was an abrupt end of the Old and a precise beginning of the New. There was no radical departure from the customs, institutions, and directions of the earlier period. The process of evolution was speeded up after 1865, but some of this was surely influenced by changes taking place in the country as a whole.

The South of ante-bellum heritage was agrarian in mind and spirit. So was the New South. Southern institutions in the main have always borne the stamp of agrarianism. To understand what has happened, it is necessary to examine several institutions to determine their role in the prevailing social system. One thing needs to be said at the outset, the post-war South was essentially frontier country. There were rather large islands, of course, which were far removed from conditions of a frontier, but in between there were vast areas of practically virgin territory. There it was that many of the patterns of the New South were formed, and there it is that one answer to Southern mentality can be found.

Two things stand out. The South after 1865 remained unreasonably long an isolated rural country depending upon purely local institutions for its services. Roads were extremely poor or non-existent. River traffic failed the interior country. Capital was badly needed to develop railroads, build highways, and to buy goods. Before a thoroughly intelligent understanding of the South's economic history is possible, there must be some understanding of the region's capital structure prior to 1920. Considerable amounts of money for the building of railroads and factories came from outside the South. This imported capital had to yield a sufficient return in interest and profits to justify the venture. Since there was an abundance of land, and an inborn agrarian set of mind, Southern economic leaders had difficulty convincing both the people of the region and outsiders that the South could become a land of industry.

Perhaps the best area in which to examine one significant phase of Southern capitalization is in the field of agricultural credits. The first crop grown after the war was produced largely on credit. When plantations broke up and the number of modest farms multiplied, there was an immediate need for a system of credits adapted to such undertakings. State legislatures anticipated this demand by passing lien laws, 1866 and 1867, which made it possible for the small farmers to secure a minimum amount of capital on which to operate. This capital, however, did not take the form of money; it came to the South in basic goods for farm supply. Food, clothing, implements, and fertilizers were exchanged for interest-bearing lien notes. Future crops were mortgaged to suppliers in lieu of cash or other sound security. Accepting ungrown crops as security naturally involved an enormous amount of risk which had to be figured in both prices and credit terms in such a way that good credit risks helped bear the liability of the bad ones.

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To facilitate this credit system, and, at the same time, to overcome the severe handicaps of inadequate transportation facilities, a new type of general country store grew up in the South. There was nothing novel about the orthodox institution of the country store. It had existed in the ante-bellum South, but there was a new principle in its function in the economic system of the region. Country merchants became suppliers of all human needs. Their stock included almost every conceivable article that a small Southern farmer's family could want. The store also became a focal center of human activity. It was a source of news, a political gathering ground, a convenient place to publish communications of all sorts, and a social meeting place. The merchant himself was a source of advice and counsel. In all these roles, the merchant and store were institutions of genuine public benefit. It also served an indispensable function in its basic role as a mercantile establishment. But the so-called "country" or "general merchandising" store was more than a folksy organization; it was a vital cog in an important system of Southern capitalism.

Country merchants were agents for all sorts of enterprises. They annually sold hundreds of thousands of tons of commercial fertilizers, for which they collected lien notes, and then executed the notes when they fell due at harvest time. On the side, storekeepers were cotton buyers who attempted to channelize the flow of cash in their communities through their stores in order to protect the debts which their customers had contracted. Perhaps there have been few instances in American economic life where individuals have exercised more oversight over the daily lives of so many people. And, perhaps, there has never been a credit system for a given region which promised so much failure for such a large proportion of people as did this one.

Prices and interest rates were high. At a time when goods were relatively cheap in terms of cash prices, Southern customers were paying outrageous premiums in marginal profits to buy them. Actually the simplest amount of goods necessary for the production of a crop cost the average Southern farmer a luxury price on credit. There is no doubt that the post-war credit system was predicated upon the growing of a staple crop. Creditors did not, however, as many commentators have said, demand that specific crops be grown. The plan was more effective than such a provision implied, lien notes and mortgages covered all farm production and property. Nevertheless, the average farmer saw no other way to pay his debts than by production of cotton and tobacco, and thus the South was burdened down under the single crop standard.

Farmer and merchant alike were conscious that their substance was being drained away by the system. Land was shamelessly exhausted in cotton culture. Poverty clutched the throats of literally thousands of farmers, who, on the face of things, should have been free, thrifty, Southern yeomen. A paradoxical situation grew up in the South. Land was plentiful. In fact, it was so plentiful that the Southern press advertised it as one of the region's cheapest assets. Yet not even the easy availability of land could stem the tide of economic failure caused by a ruinous credit system.

When cotton prices began to drop below twenty cents in 1871 and fell below ten cents in 1890 and remained at that level until after 1902, the South faced economic and political revolution. The farm lien or mortgage early symbolized oppression and failure. Local merchants negotiated these instruments of credit, but the source of capital was more often outside the region. Merchants in turn discounted their paper in order to secure the goods necessary to carry on trade. They were often as much victims of the system as were their customers.

RED NECKS

Both the newspapers and farm magazines shouted warnings against the dangerous economic road which Southern farmers traveled. Between 1870 and 1920 literally millions of published words criticised the narrow economic concepts of farming. Editors were eloquent in saying that the one-crop system of agriculture eroded human resources as rapidly as it did the land. The most bountiful return which it produced was the large number of so-called wind and sunburned "red-necked" farmers. Whether landowner or tenant, black or white, so long as he pursued the will-o'-the-wisp of fortune by primitive planting methods, he was a "red-neck." Scarcely a single editorial considering the Southern farmer's plight

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failed to shout at him that he was a victim of tight outside capital and his own stupidity. It was an obvious fact that the vigorous attack of the press eventually convinced the farmer himself that he was needlessly oppressed. Criticism of farming practices was in fact criticism of Southern society.

Farming methods in the South were antiquated and arduous. An unreasonable amount of human energy went into crop production. Grass grew with astounding rapidity, and both cotton and tobacco required close attention to produce. They were actually thirteen months' crops. One crop was not off hand before plans were underway for the next. Not only was cotton laborious to produce, but it was no respector of age. Almost every member of a small farmer's family was occupied with field labor much of the year. Growing cotton under such conditions often became an emotional matter. In the fall when the crop was harvested, the farmer not only sold the fruits of his own labor, but also that of his wife and children. When he reached the market at ginning time with his cotton and was forced to sell it in a season of declining prices in order to meet a lien note deadline, he felt his robbery more keenly. His anger was hot against his exploiters, but his armor was weak. However much he saw himself a victim of exploitation, he either refused or was unable to effect a tight organization which would remedy his pitiful situation.

For almost sixty years, lack of organization undoubtedly saved the South from an agrarian revolution. Failure of farming reflected itself in defective schools, roads, and local markets for produce other than that of staple crops. Cotton could be handled in almost any abusive way, (so long as it was kept dry) and still reach the mill in a fairly usable form. This was another reason why Southern farmers were subjected to controls far removed from their region, and well beyond the reach of their state legislatures.

For most of the period before 1930, the South lacked the kind of economic leadership which comprehended its needs in their broad social relationships. For the years 1865 to 1890, most political leaders were elected not so much for their ability to effect solutions for the immediate economic problems of the South as to undo the wrongs of reconstruction. In these years there came into the principal offices, men of conservative philosophy who attacked the South's enemies with eloquent speeches but offered no really vigorous opposition. They became the so-called "bourbons" who were able to see some of the South's basic needs in broad political and theoretical terms, but were both unable and unwilling to see them in terms of small farmers and businessmen. They interested themselves in the larger affairs of railroad building, exploitation of mineral resources, and manufacturing industries. To keep themselves in office, they were fortunate in having the sentimental issues of war and its aftermath to use in their campaigns. In many instances, "bourbon" candidates obscured the real needs of the South under the camouflage of old Southern hatreds. But not even the bitter wounds of war and reconstruction could obscure forever the abject evils of economic failure.

NEW LEADERSHIP

A new political leadership appeared on the scene in candidates who took the people's issues to the hustings. On the eve of the populist era, candidates for local and state offices had already begun to adopt principles of daily and weekly press editorials in opposing the sins of the single crop tradition. They attacked fertilizer trusts, mortgage companies, merchants, railroads, and banks. Lien laws were under fire. Without understanding the full ramifications of the means of agricultural credit practices, they vigorously attacked extra-regional capitalism as an oppressive thing which broke the bodies of Southerners on the wheel of greed.

These new style candidates were men of the people. Using such terms as "wool hat" and "jeans britches," they immediately struck a responsive chord. They knew first hand the pangs of disappointment of "red necked" farmers who hauled their yearly labor to market in the form of cotton and often found it impossible to sell it for enough to pay production bills at the stores. They knew what it meant to sell farm produce on a buyer's market and to buy goods at seller's prices. Unlike their "bourbon" brethren who lived above the common struggle of most Southerners, they knew firsthand the resentment which welled up in frustrated hearts.

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Here was a political argument ready-made for shrewd campaigners. Agriculture failed, it was said, because everybody doing business with the farmer robbed him. Commercial fertilizer corporations increased the price of their goods, took crop liens in the spring, and ironed their creditors flat in the fall. They grew fat off the sweat and labor of their customers. Railroads charged outrageous freight rates to haul farm produce over track, which, in many cases, had been built at public expense. Candidates could attack these economic vampires without fear of retribution.

Beginning as early as the first years of reconstruction, Southern politics took on a defensive nature. In this political revolution, there was a remarkably small amount of statesmanlike planning and a tremendous amount of opposition. "Men-of-the-people" candidates promised governmental controls to the people if they were elected to office. The common man was made conscious of his stake in politics, and when he appeared at the polls in large numbers with this in mind, he was able to snatch the reins of government away from the older and conservative leaders. Both candidate and voter were fighting exploitation. Scarcely a candidate took the field without promising relief from near panic conditions. Political planning was not evident in their attacks; that is, it was not stated in terms of long range relief legislation. Rather these new style political Joshuas offered quick relief in the form of legislation which would curb these exploitative practices.

Historically Southern political leadership has labored most in the relief field. Statesmen or demagogues, they have appealed to their constituencies in terms of freedom from panic caused by defective capitalization and lack of agricultural planning and organization. Because the region was poor by almost every criteria of wealth, its people have been denied opportunities of education and the power of discernment. A political promise made on the stump has often been accepted as a bond of certain accomplishment, but there has been a remarkably small follow-up.

Outside forces which interested themselves in Southern economics have often complicated the picture by supporting politicians who have aroused the prejudiced viewpoints of the people. Sometimes they have helped obscure need for constructive and regulatory legislation by sidetracking campaigns to levels of local prejudices and hates. It has not been unusual for some of these influences even to direct mild attacks against themselves in cases where they could control the outcome. Political backfires have even been set against issues by raising local taboos and hatreds.

It was in the economic area of Southern postwar development that the prevailing types of Southern politics were spawned. It was in the long fight of the common man to survive the evils of the system of extra-regional capitalism, ineffective agricultural practices, and lack of markets for his produce that made him place his faith in the South's peculiar type of political leaders. Before it is possible to comprehend the Tillmans, Watsons, Taylors, Vardamans, Bilbos, and Longs it is necessary to have this perspective of Southern economic development. The end of the general merchant's day of glory came with the boll weevil and improved means of transportation. With the advent of easier farm credits through governmental agencies, a new day of agricultural capitalization dawned, and the effects of change are now reflected in many areas of Southern politics. Doubtless revolution in farming and the current expansion of Southern industry will bring changes in Southern political leadership.

In Juarez, Mexico, after having run 360 kilometers to carry a symbolical torch of the sun, Pedro Paseno made a brief statement to the reporters: "My feet are killing me."

Mundo Argentino (*Quote* translation)

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The two-party system prevails

Party Divisions of The Future

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OUR two major political parties in the United States have been likened to protoplasmic jelly, endowed with perennial life and forever taking new shapes and forms. Recurrently there are predictions that one or the other or both of our two major parties will die out and be superseded by new parties, but these predictions are never borne out by the facts. The old parties live on, changing their characters with conditions and circumstances.

Sometimes the differences between these two major parties are marked and logical; at other times the differences are blurred and illogical. Sometimes the parties seem to be as similar as two peas in a pod—for example, in the period of the 1870's and 1880's the Republicans were dominated by the conservative industrialists and the Democrats were dominated by the conservative Bourbons. At other times, the differences between the parties are deep and wide—as in the days when Jefferson fought Hamilton, the Whigs fought Jackson and Van Buren, and Bryan fought Hanna and McKinley. Sometimes it is the Republican Party which has been liberal and the Democratic Party which has been conservative—as in the 1850's when the rising Republicans were opposing the conservative toryism of Pierce and Buchanan. At most other times, the Democratic has been the more liberal party and the Republican the more conservative party.

The elections of 1948 reveal that the high hopes of the splinter movements and third parties of both the left and the right have miscarried as usual and that neither major party is in any danger of being supplanted or even seriously weakened. We are not about to enter a multiple-party system; the two-party system is going to continue, and it is going to be operated by the same old parties.

These same elections reveal an important change, however, in the character of our old parties, particularly the Democratic Party, and they presage a period when the differences between the two major parties are to be more clear-cut and more logical. A realignment is in process, a basic realignment based on fundamentals, and this realignment is taking place within the framework of the old two-party system.

There will be no important third party on the left. The Wallace movement is in complete collapse. It made every mistake made by our third parties of the past, and added some of its own for good measure. It represented no central or fundamental philosophy; its program was an improvised catch-all designed to appeal to the temporary grievances and frustrations of a few minority groups. It was built on no basic class or group support—neither labor, nor the poor farmers, nor the lower-salaried classes provided the necessary foundation. If it spoke for any groups at all, it spoke for a handful of minority leftists. It counted on merely taking a "flyer" at the Presidency rather than the patient building of state and local grass-root organizations. And it was fatally compromised by its alliance with the Communists.

Prior to the election, there was talk of a third party composed of America's majority leftists, of its anti-Communist leftists. The idea was to build a party founded on organized labor, the farmers, the lower-salaried classes. Its ideology was to have been in the main that of the Americans for Democratic Action. It was to have stood about where Eleanor Roosevelt, Chester Bowles, Leon Henderson, William O. Douglas, Hugo Black, James E. Murray, Paul Douglas, Claude Pepper, and Hubert H. Humphrey stand in our political life. In a recently published book, Harold Laski spoke of the crying need for such a party in the United States. Walter Reuther seems to have

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had such a party in mind. William Green, of the American Federation of Labor, predicted an all-labor gathering would meet soon after the election of 1948 to lay the basis for future political action. And Norman Thomas looked forward to a party in which the progressive, the social-democratic, and the socialist groups in America could pool their resources.

The elections of 1948, however, have ended talk of such a movement. The victory of the Democratic Party on a truly liberal platform and the election of a galaxy of young, vigorous, and able liberals as Democratic senators, representatives in Congress, and governors have dissipated all such planning. A few days after the election, Norman Thomas, commenting on the implications of the Democratic victory, mourned the passing of an opportunity to build a new and widely inclusive party of the left.

Should Truman go back on his liberal professions, should he again fail the liberals, talk of a new leftist party will revive. But with the plethora of young and vigorous talent come to prominence and power inside the Democratic Party as a result of the late election, such failure is not likely.

DIXIECRATS

The Dixiecrats or States-Righters of the South, too, are in a state of collapse. The potentialities of that movement were always highly exaggerated. As it turned out, the South, like the rest of the country, divided between liberals and conservatives, but the liberals, represented by the Democratic Party, carried most of the South. The opposition to the Democrats was divided between Republicans and Dixiecrats, but the Republicans proved much stronger than the Dixiecrats and polled almost twice as many votes. The States-Righters polled only about 19 per cent of the Southern voters. Outwardly they carried four states, but they won clear title to only two, South Carolina and Mississippi. Alabama was carried by denying Truman any place on the ballot, and Louisiana was carried by depriving Truman of Democratic Party designation on the ballot and forcing him to run as an independent. Had Dewey been elected, the Dixiecrats would have claimed that they had helped to defeat Truman and that in the future a Democratic candidate had better take care not to alienate them. But as it turned out, the futility of their independent action is plain for all to see.

Will the Dixiecrats be purged? Washington's reaction probably will be mixed; some will and some will not, depending upon the degree of defection. The Truman administration, seeking support for its general legislative program, will be reluctant to declare open war on States-Rights senators and representatives, although some patronage will be curtailed and individual rebels up for re-election may find the administration working to defeat them. Back home there will be a strong disposition to punish those who bolted to the Dixiecrats. In part this will be due to a desire to curry favor with the administration and to get local favors from Washington, but other considerations will carry weight. Respect for party regularity runs high in the South. There is a strong Southern feeling, developed for decades, that political differences should be settled within the Democratic Party and not outside. Those deprived of the opportunity to vote for Truman as the Democratic candidate—as in Alabama and Louisiana—resent this high-handed action, particularly in the light of the election results. Even the rank and file who voted Dixiecrat are disappointed at their poor showing and are likely to react against the Dixiecrat politicians. It is one thing for the rank and file to revolt; it is another thing for the leaders to do so. In the long-run, the rank and file expect party leaders to stay hitched, even when the party tide is running against them; otherwise, where can the rank and file go when the tide turns again? The Dixiecrat leaders are likely to suffer the fate of the Hoovercrats. After 1928, Hoovercrats were purged wholesale from congressional, state, local, and party offices. The party regulars of the South are not likely to forgive the bolters, no matter how much these party regulars themselves may oppose the Truman civil-rights program. The victorious bolters of 1928 were purged; there is reason to believe that the defeated bolters of 1948 will suffer a somewhat similar fate.

What will happen to the rank and file of Dixiecrats? Some will return to the Democratic Party, and some will go into the Republican Party. In general, two kinds of people went into the Dixiecrat movement. Much of its mass support came from the old-fashioned

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"wool hat boys" who once followed "stormy petrels" like Ben Tillman, Tom Watson, James K. Vardaman, Huey Long, and Theodore G. Bilbo. A large portion of these voters, although on occasion stirred by appeals to racial and religious prejudice, are liberals on economic matters. They are hostile to "Wall Street." They stand to gain by some change in the status quo, by greater federal expenditures, and by an expansion of federal services. They were followers of William Jennings Bryan and Franklin D. Roosevelt. Most of the Southern "demagogues", supported by them have been fiery opponents of "the interests." (Talmadge, of Georgia, and O'Daniel, of Texas, are the exceptions; these men appealed to the poor whites and connived with their exploiters.) Now most of these people with Populist traditions, susceptible to side issues but not long misled by them, will find their way back into the Democratic Party because they feel the Democratic Party represents their economic aspirations. But many of the leaders of the Dixiecrats—visible and invisible—were of another breed. Many of these men are of the "hate Roosevelt" variety. They represent the industrial and financial interests of the South, and they are often the paladins of Northern industry in the South. These men are exponents of laissez faire industrialism. On the economic issues, they are at heart Republican, and little by little they will gravitate into the Republican Party. What they failed to do indirectly as Dixiecrats, they will seek to do directly as Republicans. In addition, there are libertarians who sincerely feel that the growing expansion of the federal government theatens all liberties and that the Republican Party is the only agency strong enough to check this centralization. Then, too, the practical aid given in Congress by Republican Senators in the Southern fight against the Truman civil-liberties program will help the Republican Party in the South.

Thus recruited, the Republican Party of the South is due for a slow and steady growth. The South is gradually returning to a two-party system, to the political condition which existed in Federalist and Whig days. And just as the Federalists and later the Whigs usually constituted a minority throughout most of the South, so also the Republicans, even when much more firmly establishd than at present, will usually be in a minority. Even under a real two-party system, the Democrats will win the South much more often than they will lose it. There are a number of reasons for this: tradition, the strong web of long-established party organization, the fact that most Southerners are poor folks who stand to gain by change and by expanded federal expenditures and services. It is well to remember that the South was predominantly Democratic long before Reconstruction, long before the intrusion of the race issue into politics. Many of the causes which operated to make the majority of Southerners Democratic in Jefferson's day and in Jackson's day are operating to make them Democratic today. In Jefferson's day and in Jackson's day, most Southerners belonged to the party which sought to check incipient industrialism; today most of them belong to the party which seeks to control the prevailing industrialism which has since developed.

What is happening to the old major parties?

The Democratic Party has emerged from the 1948 elections as the truly national and the truly liberal party of the country. That party today is stronger in the East than it was in Bryan's and Wilson's day. It is stronger in the Middle West than it was in the second Roosevelt's day. As a party, it is even more liberal than it was in New Deal days. The platform of 1948 was a more "radical" platform than the platform of 1932 or 1936 or 1940 or 1944, and it was adopted after due deliberation in full convention following a vigorous debate on some of its planks. No longer can snobs like John Hay call the Democratic Party "a fortuitous concourse of unrelated prejudices."

The Democratic Party has also proved that it needs no great "leader." It has often been said that the Democratic Party requires a leader, that it is lost without a Jackson, a Bryan, a Wilson, a Roosevelt. But today the comeback of the Democratic Party has been achieved without any outstanding national leadership. On the other hand, it cannot be said the party lacks a reservoir of promising leaders from which to pick outstanding national leaders of the future. The contention that Franklin D. Roosevelt inhibited the development of party leadership is no longer—if, indeed, it ever was—valid. Relatively

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young, able, vigorous, and imaginative leaders have been elected to high office in a score of important states—Hubert H. Humphrey in Minnesota, Adlai E. Stevenson and Paul H. Douglas in Illinois, Frank J. Lausche in Ohio, G. Mennen Williams in Michigan, Chester Bowles in Connecticut, Paul A. Dever in Massachusetts, Estes Kefauver in Tennessee.

The most remarkable thing about the Democratic Party today is that the group realignments that are taking place inevitably will make that party more inclusively the liberal party of the country. In the South, the Democratic Party is losing a good many of its conservatives. These conservatives are slowly going into the Republican Party, either directly, or indirectly by way of the Dixiecrat movement. In the Middle West, the Democratic Party at long last is getting more and more of the old progressive Republicans and members of the farm bloc.

MIDDLE WEST

The gravitation of Middle-Western progressives into the Democratic Party is possibly the most important single feature of the 1948 elections. Certainly it is a feature that has been little commented upon. Up until this time, the progressives of the Middle West for the most part have clung to their traditional Republicanism. They have remembered the Republican Party as the party of the anti-slavery crusade, the Grand Army of the Republic, the Homestead Act, and the trans-continental railroads. They have preferred to be insurgents and "sons of wild jackasses" within the Republican Party to affiliating with the Democratic Party. Liberals in this region on occasion have voted for the Democratic candidate for President (in 1896 and in 1916 and in 1932 and in 1936), but usually they have worked as farm-belt mavericks within the Republican Party or have gone into third party movements like the Greenback, Populist, Bull Moose, LaFollette Progressive, and Farmer-Laborite. Senators and representatives elected by these third parties usually took committee assignments as Republicans and often attended the Republican caucus. When the third parties which elected them foundered, they almost invariably went back into the Republican fold. (George W. Norris was one of the very few who openly cooperated with the Democratic Party over a long period of time, and even he differentiated himself from the Democrats by taking the name "independent.")

Today, however, the progressives of the Middle West are more and more coming to call themselves Democrats and are actually joining the Democratic Party. A correspondent of *The New York Times,* writing a few days after the presidential election of 1948, reported the most significant political trend of the farm states to be the tendency for *young* farmers to move in the direction of the Democratic Party. The Farmer-Labor Party of Minnesota is no longer an off-shoot of the Republican Party; it is open alliance with the Democratic Party and has blended its name with the Democratic Party. The young Senator from Minnesota recently elected by this combination, unlike the Lundeens and Shipsteads of the past, is of Democratic—not Republican—orientation.

On the other hand, the Republican Party is losing its liberal elements (in the farm belt, as just described) and is picking up conservative elements in the South. Now this may not help the Republican Party adjust itself to the popular drift toward a greater degree of collectivism, but it does make for a more logical division of parties. However, unless the Republican Party more clearly recognizes the trend toward social democracy, the gulf between the parties will become so great that they will in future campaigns hardly be talking about the same things. The two parties will never come to grips with each other if one is talking in terms of Herbert Spencer and the other in terms of a crypto-Fabian socialism. In the presidential election of 1948, Dewey, with a dash of New Dealism, did better than the Eightieth Congress, with a good bit of atavistic McKinley-Harding-Coolidge laissez faire. But how can the Republican Party adapt itself to the trend toward increasing social services and social controls if it continues to lose its Midwestern progressives and to acquire Southern conservatives, the most antediluvian breed of conservatives in the whole country?

Thus at last we are getting a basic realignment of parties. The Democratic Party is losing Southern conservatives and getting Midwestern progressives. The Republican Party is losing Midwestern progressives and getting

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Southern conservatives, although the movement of Midwestern progressives out of the Republican Party appears to be somewhat more rapid and more direct than the movement of Southern conservatives out of the Democratic Party. This realignment of parties on the basis of fundamentals, this increased grouping of liberals within one party and of conservatives within another, is taking place, significantly enough, not by way of new parties (as it was so frequently predicted it would be) but by way of the traditional two-party system.

TRENDS

The election of 1948 may serve to throw into bold historical relief the whole political trend in this country since Franklin D. Roosevelt's first election in 1932. It may be that the presidential election of 1936 will come to rank with the presidential elections of 1800 and of 1860 as one of the three great turning points in our political history.

In 1800 the Jeffersonian agrarians captured the Presidency, and from that date down to 1860 they were normally the majority party of the country. To a nation of farmers, the Jeffersonians, in their opposition to a tentatively rising industrial capitalism, seemed naturally to have the better arguments.

In 1860 the Republicans came to power, and from that date to 1932 they were normally the majority party. In the period of our greatest industrial expansion, the arguments that industrialism was good and that the prosperity of capitalists and business men meant the prosperity of all classes in the country carried the greatest conviction. The logic of the situation was with the Republicans.

But since 1932 the Democrats have been the majority party, and they are likely to continue to be the majority party for a long time to come. Our great industrial plant is built; the real need now appears to be not so much for industrial expansion as for a distribution of income in such a way that will allow the mass of people to buy the avalanche of goods our huge industrial development is capable of producing. We have moved from an era in which people believed that prosperity slides down from the top to an era in which more and more people believe that prosperity bubbles up from the bottom. We have moved from an era of laissez faire capitalism into an era of social democracy. The Democratic Party, our nearest approach to an effective social democratic party, seems to have the better arguments; the underlying logic of events now seems to be with that party.

The election of 1932, then, may well prove to have been the beginning of a long period of Democratic power, a tenure only now and then interrupted by brief intervals of Republican success. (Just as the long tenure of the Jeffersonians and the Jacksonians was broken only twice, by the abortive Whig successes of 1840 and 1848; just as the long Republican tenure following the Civil War was broken only by the Cleveland and Wilson interludes.) In that light, Mr. Truman's election in 1948 is chiefly important as additional evidence that political power has decisively shifted in America, perhaps for a long time to come.

PRESIDENTS

We have had social-democratic Presidents before—Theodore Roosevelt, Woodrow Wilson, Franklin D. Roosevelt. These men were brave pioneers, bold innovators. Mr. Truman is the first of our unexceptional social-democratic Presidents. He is no trail blazer. He is the mere bearer of an already established heritage. He is to our social-democratic period what a Monroe or a Van Buren was to the agrarian period, what a Garfield or a Ben Harrison was to the period of industrial laissez faire.

Meantime the Republican Party shows few signs that it has adopted a social-democratic outlook more in harmony with the sentiment of the country. That party seems to be staking its future on opposition to the Truman program and on making large inroads into the Solid South. Liberal leaders here and there—a Senator Morse, of Oregon, or a Senator Aiken, of Vermont—seek to arouse liberal elements within the party. But these men lack real national leadership; the liberalism of Harold Stassen is suspect; and no liberal leader with a real national following, no Teddy Roosevelt, no Wendel Willkie, has arisen to arouse the party to the necessity of adjusting the party program more to the realities of the time. John Chamberlain has pointed out how the Republican Party, once it accepts the welfare state as an accomplished fact here

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to stay, can render high service to the country by standing for a policy which links spending with unemployment, seeks to retire the national debt in good years, and resists the Truman "pressure-group" conception of government. Should the current business recession develop into an economic depression, the Republicans might find themselves returned to power, and the realities of power might force them to accept the philosophy of the welfare state. In that event, both parties again would agree on fundamentals; the differences between them would become more matters of degree, more matters of practical detail.

Today social democracy is no longer a matter for pioneering in American politics. It is a game politicians henceforth ordinarily must play if they are to have much chance of achieving real national leadership. And until the Republicans learn this lesson they are likely not only to be on the losing side nationally but to forfeit their responsibility for providing realistic alternatives of political action from which the nation may make practical choices.

When Benjamin Franklin first became ambassador to France, he was not too conversant with the French language. While attending a literary meeting, he applauded each time he saw a lady of his acquaintance look in his direction.

As the meeting came to a conclusion, a little child who understood French said to him, "But, grandpa, you always applauded the loudest when they were praising you."

Circle News

To the construction headquarters of a British railway project in the Sudan came a telegram from a section gang announcing the death of their English foreman. It had been dispatched by the native assistant foreman, who asked for instructions.

Headquarters wired back: "Bury him. But make sure he is dead."

The next day they received this report: "Buried boss. Made very sure he was dead. Hit him on head with large shovel."

Winnipeg Tribune

A junior British official in Germany, having acquired a Leica camera, was faced with problem of how to get it into England without having to pay the customs charges. He decided to dismantle the camera and mail the individual parts to his wife in England, with instructions that she was to pass them on to a friend who was a camera expert, for reassembly. The plan worked well. Finally the seemingly impossible was achieved: the Leica was in England, and no duty had been paid.

A few weeks later, the smuggler had a birthday and his mail included a small parcel from home. Unwrapping it eagerly, he was horrified to find a Leica camera with a note saying: "Many happy returns. I rushed the job so you would have it as a surprise. I hope it gives you a lot of pleasure."

Manchester Guardian (England)

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Second and concluding article

Futurology (II)

By OSSIP K. FLECHTHEIM
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OVER and above the long range forecasts of natural history and the middle range predictions of comprehensive social and cultural processes, Futurology is certainly also interested in predictions of limited short-term developments. These prognostications range all the way from a revelation à la Drew Pearson to the *Atlantic Monthly's* attempt to assess "The Shape of Things to Come" by presenting the reader with "as thorough a preview of the world five or ten years hence as a lively editorial research . . . . can produce. . . . ." Predictions of the growth of population in America or anticipations of the political party trends during the next decades, analyses of business cycles and business conditions during the coming months and years belong to the many themes of Futurology. Speculations about "The Passing of the European Age," "Whither France?," "The Prospects of Peace" are the inexhaustible topics of an age of world politics. A distinguished historian tries to answer the question: "How New Will the Better World Be?" while the director of a research institute discusses "The Future of Your Job" and "The Future of America's Classes" during *The Rest of Your Life*. Conjectures concerning the "Religion of Tomorrow" or "The Future Independence and Progress of American Medicine" are as much part of Futurology as a description of "What's In Store For Children." Announcements of "wonders at hand for daily living" such as "glass dresses, trousers with permanent creases, mechanical cows, and cars with television and ice cubes" appear side by side with dire forecasts of "true ocean-hopping and transpolar bombers," which "perhaps by 1955 or 1960" will be "spraying quantities of highly-lethal radioactive dusts or gases" or "lethal toxins, bacteria, and viruses that can kill or produce disease or cause growth changes in men, animals, and plants."

In this sphere of short-term forecasting, the topics tend to become more numerous and more specific. In contrast to the more abstract and general speculations marking middle and long range developments, the immediate future easily appeals to the public. At the same time, it is the fate of many short-term predictions to become outmoded before the scholar has had a chance to evaluate them in the light of more comprehensive and enduring trends. Under these circumstances all he can do is to verify retroactively the forecasts that had been made beforehand. Unfortunately, the material used in making short range predictions is treated most unevenly. Some phenomena receive thorough and expert attention while others are left to sensation-craving journalists. Hence this area is at present the least integrated of all three segments of Futurology. The author knows of but one periodical entitled *Predictions of Things to Come by Authorities Likely to Be Right*, once published by the Parents' Institute, which was "devoted exclusively to thoughtful predictions concerning the future." And even this short-lived venture, however worthy it may have been, did not attempt to organize its material into a systematic whole. Thus Futurology will have to tackle this difficult task.

Again, this paper can present no detailed study of the methods of Futurology. It must be stated, however, that a serious study of the future has nothing in common with the mysteries and secrets surrounding the arts of astrologers, palmists, and clairvoyants. On the

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contrary, whether it be called a science or not, Futurology shares with science the method of open investigation and critical discusson; it is ever ready to submit its findings to the tests of reasoning and experience. The study of the future combines the methods of qualitative evaluation and exact calculation and must rely on imagination and intuition to a considerable extent. The scientific methods as developed by the physical and biological sciences can be applied here only within limits. It is, no doubt, possible to isolate a segment of future social reality that, in its structure, resembles the world of nature. Wherever the recurrent and unchanging actions and relationships of relatively large numbers of analoguous persons or groups are under investigation, the inductive, quantitative, experimental method typical of the exact sciences can be applied. Dr. Howard Becker claims that "the job of prediction" refers "to the before-saying (pre-diction) of certain kinds of recurrence." The sociologist MacIver goes so far as to affirm that "we can predict in the fullest sense only where certain factors can be isolated so that they form a sufficient system by themselves and where the relation of each factor to the rest follows a precise quantitative law." And, according to Professor Phelps, "predictions improve in accuracy when they are based upon trend-lines and probable error and reach their highest validity in the statistics of the insurance actuary." More recently, trend predictions have been ventured with increasing accuracy in the fields of population movement and business fluctuation, and they are making headway in education, psychology, and criminology. In many instances, such mass phenomena can be correctly predicted by statistical means though the future behavior of the individual component of the mass may be completely unpredictable.

Nevertheless, only a part of the data concerning the future can be reduced to numerical terms. In all social sciences, significant phenomena must be understood in their relative uniqueness, their complexity, and their interrelatedness with the whole fabric of culture. Wherever the quantitative and experimental method cannot be applied, a combination of inductive and deductive reasoning must be employed. Particular elements must be viewed in their functional relationship to the whole. Specific qualitative regularities must be discovered that reveal the growth of a social phenomenon or its replacement by another. In attempting to establish such patterns, the resourceful scholar constructs, within a relatively closed system, a pure type of the phenomenon under investigation, which reflects both the enduring design of a social structure and its capacity for organic change. MacIver intimates that "all prediction . . . . is based on the assumption of a relatively closed system," "the continuance of which we can reasonably predict on the assumption that no invading or erupting factor breaks or thwarts the prevailing routine." "It is this type of prediction—not the prediction of sheer novelty—that belongs within the realm of science."

NOVELTY

One might add that what appears to be an erupting factor in one relatively closed system may be found to constitute an integral and, therefore, predictable factor in another connected system. It follows that "sheer novelty" is less frequent than MacIver's statement might suggest. Unquestionably, the anticipation of new single facts and isolated processes remains impossible as it is dependent on our sense perception which operates only in the present. Thus the organization and judicial policies of the United States Supreme Court, once explored, can be projected into the future, and a range of possible or even probable changes can be deducted. We cannot, however, foretell with any degree of assurance who will sit on its bench or what particular decisions will be handed down a decade hence. After a thorough study of all factors in the various connected systems, we might find it probable that a Negro will occupy a seat on the bench within a given period of time. Yet if the writer were to predict that the first Negro on the Court will be Justice Frankfurter's present law clerk, his prediction would be guesswork, and only chance could be credited with a hit if he happened to be right.

For another illustration of the difference between an objective prognosis and an accidentally accurate prophecy, let us contrast two forecasts concerning the first and the second world war. Frederick Engels ingeniously combined decisive trends in interrelated systems when, a generation before the outbreak of

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World War I, he predicted prolonged two-front trench warfare and a stalemate in the West as well as a Russian defeat and revolution in the East. On the other hand, H. G. Wells, who in 1933 prophesied the outbreak of World War II with only a few months margin of error and quite correctly as an outgrowth of a Germano-Polish conflict about the Free City of Danzig, stepped beyond the limits of scientific forecasting into the twilight of pure chance.

The function of Futurology will become fully evident only as it grows, since its findings, even more than those of other social sciences, contain elements of considerable uncertainty. We do know that, in our utilitarian age when the utility of all rational knowledge is becoming increasingly doubtful, many will immediately question the need for a science of the future. Gone is the optimism of the Enlightenment and the Century of Science when the conviction prevailed that knowledge was power, and that it would in time enable man to become the master of his fate by giving him control over nature and society. In those days the findings of "pure science," no less than those of applied science, were appreciated primarily for their contribution to the happiness and progress of humankind.

Today Ecclesiastes' age-old lament that "in much wisdom is much grief" and that "he that increaseth knowledge increaseth sorrow" sounds in our ears with renewed vigor. It becomes ever harder to prove that increased knowledge inevitably leads to greater happiness or goodness. Thanks to the applied sciences, we possess not only the tractor, but the tank. And while we are sure that the latter is a bane, we are by no means certain that the former is an unmixed blessing. Moreover, the pure sciences, so we are beginning to realize, reveal not only our potentialities, but also our limitations. Hence a new "pure" science without even the pretension of yielding immediate practical advantages has little chance of winning strong mass support. Moreover, all signs point towards the growing strength of the unscientific major ideologies of the day. Engaged in a gigantic struggle between institutions and systems, between ways of life, the great majority are likely to continue to interpret the present and future in terms of their parochial short-lived interests in wealth, power, and security.

True, it is theoretically possible that the total crisis will reach such proportions that the antagonstic forces—mass ideologies, social movements, and world powers—will be evenly and precariously balanced. In that unique constellation, an authoritative prognosis could be imagined to turn the course of events in the predicted direction, transforming itself thereby into an active force in world history. But the socio-historical scene is characterized by forces of such magnitude and complexity that a perfectly unstable equilibrium can hardly ever be achieved.

ASSUMPTION

Supposing then that it is beyond the power of Futurology to shape the future nearer to our heart's desire, we must proceed on the assumption that it will tell us what is in store for us. In so doing, it will base its forecasts among other things upon our fears and hopes, our omissions and actions. Nevertheless, if it were to show that our civilization was doomed, if it were to demonstrate that a new global war was inevitable, if it were to establish that a rejected ideology had the best chance of success, we would have no way of preventing these developments. Concealing this truth would equal outright intellectual dishonesty.

Possibly many a friend of humanity will, under these circumstances, oppose a systematic attempt to lift the veil that hides tomorrow. Still even if it were true that complete ignorance is preferable to all knowledge of the future, the fact remains that ours is not the choice between knowing and not knowing. There is no way of returning to a condition of "blessed innocence"—our real and only choice lies between less knowledge and more knowledge. And more knowledge about the days to come may, after all, help dispell the worst fears that are plaguing us. In this case, Futurology would on its part corroborate Pope's dictum that "a little learning is a dangerous thing." But even if Futurology were to confirm the gloomiest expectations of the pessimist, it could like metereology, serve the personal welfare of some favored individuals. As the weather forecast helps people to protect themselves against storms and floods, so

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futurological predictions might enable a few to escape social tempests, cultural deluges, and historical catastrophes. And if this lucky minority were to preserve some of the best social achievements and cultural values of the past, Futurology would have rendered some service to the future. By the same token, a knowledge of the future could help avoid disappointment which springs from vain and futile venture. Furthermore, a clear knowledge of the impending collapse of our society might be accompanied by the realization that Western civilization, in its disintegration, will become the seed of a new "higher" civilization. To this future civilization and its intellectual equipment, Futurology would contribute its part, a part analogous to that played by the youthful sciences of nature in the Hellenistic world. Although unable to prevent the general breakdown, they nevertheless served as a foundation for the scientific advancement of subsequent civilizations. Finally, in our day a clear-cut and unequivocal picture of the future could turn into a sublime personal challenge to those who are ready to withstand the inevitable with courage.

"The difference between perseverance and obstinacy is that one comes from a strong will and the other from a strong won't."

Information

A young mother asked her butcher to weigh the baby.
"With pleasure, madam .... 13½ pounds with the bones."

Our Boys

The convened legislators of a western state were holding a banquet in the capital city. A newly-elected member, an old cowman who had been persuaded by neighbors to run for office, was ill at ease, and a little irked at the incessant chatter going on around him and his silent, self-conscious wife.

Finally a buxom woman across the table, a loquacious lady whose husband had long been a professional politician, beamed at the old cowman and said loudly: "I want you to promise, Mr. Mac, that you'll vote for my husband's new fish and game bill." Warningly she added: "After all, you know he's the party whip."

"I know," said the new senator, who didn't like her husband. "The only trouble with whips is that they're so often cracked."

Wall Street Journal

After sending a parcel to European relatives, we received a very grateful letter with this paragraph: "If you can, please send more pills. We didn't know what they were until Cousin Lempi came—she has studied English, you know—and read the name for us. Then we gave them all to Uncle Paul, who has been suffering from rheumatism and he feels much better now. He says it is the best medicine he ever took. The pills are called 'Life Savers.' "

Alice Murdock, *Pageant*

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Conclusion of a two-part series

MAN IN THE MOLD (II)

By PAUL H. LANDIS
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IN the preceding article we have dealt with social forces as they shape the personality of the individual in his group. We have seen how the person's attitudes toward himself and toward others are formed by the groups of which he has been a participating member. To this group participation can also be traced his most critical problems of adjustment, his most serious defeats and failures. It is this aspect of personality to which we give primary attention in this article.

As the individual has experience in social groups, especially in primary groups, these drives become built around certain wishes or attitude complexes which seek fulfillment. These wishes become numerous in the individual's experience, although some noted sociologists have tried to summarize them into a few basic wishes which explain the quest of the human personality.

The most famous grouping of wishes by a sociologist is that developed by the late W. I. Thomas, who concluded that human beings have four basic wishes. Whether his list of four is adequate or not, whether the wishes he names have an organic basis or reflect only values of our culture need not concern us here. His list is illustrative of the kind of striving which we all do in an attempt to fill our social needs.

The first wish is for *new experience,* that is, for variety in life. Some express this wish by travel, some by reading about the imaginary or fantastic, many by venturing into new social situations, slumming, or trying new types of creative activity. Man is much a creature of habit, but living entirely on one habit level can become boresome. New experience relieves monotony and gives zest to life.

Almost directly in contrast is the wish for *security.* Individuals want a safe haven to which they can flee in trouble. They want the assurance that they can always drop back into the primary group where they will be welcome, given affection, and made to feel their worth-whileness. Everyone needs someone to come home to. In the family group this security is given children by affectionate parents, husband and wife by each other. Those who lack a family group may find it in a comrade, a pal, or a buddy.

Thomas was thinking of security not primarily in the economic sense, as it is being used today in connection with social security programs, but in the psychological sense, the sense of knowing that one is wanted, that he means a great deal to someone. It is a sense of belonging such as the great French sociologist, Emile Durkheim, felt was indispensable to man. In Durkheim's theory of suicide, he stated the view that suicide is primarily the result of feeling that one has been entirely forsaken by others, left alone and unwanted, completely isolated from mankind. Both Thomas and Durkheim concluded that he who travels in an intimate group travels life's highway most safely.

Thomas's third wish is that for *response.* In this wish is expressed man's longing for friendship and love. Men need to love and to be loved. Response finds its most intimate expression in the sex experience of married life.

The fourth wish is that for *recognition.* The individual wishes to be recognized by his fellows, or in other words to have status in various social groups. Status is so closely associated with one's social self that man requires an expression of recognition from the

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group to bolster his self-respect and make him feel that he is useful and important. In other words, the human being demands the attention of others and actually requires a great deal of favorable recognition from others.

Like Thomas, Alder, the disciple of Freud, who developed the idea of the *inferiority complex,* made a great deal of this desire for recognition; in fact, he made it the basis for his psychological theories. He believed that the individual, failing to achieve recognition from his fellows, strives more desperately to attain it through *compensation,* that is overreacting.

The blocking of channels of expression by the social group leads to a thwarting of the wishes or learned drives. One with thwarted wishes is said to be *frustrated.*

FRUSTRATION

Failure to satisfy wishes through achieving those values which have become most meaningful to the individual dams up energy and leads to what is called in psychological language frustration, or what the socialist, Graham Wallas, once called balked dispositions. Frustrated wishes are the principal causes of personality conflict.

One common source of frustration is the conflict of organic drives with social codes. The animal in man is always present. Over animal nature has been imposed the habit and attitude structure which keeps it well under control in most situations, yet the animal must at times be reckoned with. In much of popular literature, as well as psychological and sociological thought, attention has been directed toward this basic conflict between man's original nature and society's restrictions. It is the fascinating theme of much of modern fiction.

Sigmund Freud built a whole system of psychology around the view that certain cultures suppress the libido, or sex urge, so completely that neurotic behavior tends to be characteristic. He developed the thesis that man has an unconscious mind level in which unpleasant and frustrating experiences are submerged. If too many submerged conflicts accumulate, they completely disrupt the normal functioning of the conscious mind. Psychoanalytical treatment in which the analyst by questioning, brings to the surface of consciousness the submerged experiences, is required to help the individual recognize his conflict and resolve it.

We are not so much concerned here with particular theories but with the important fact that organic drives, natural urges, and appetites at many points run counter to social codes. This is a source of mental conflict and creates a situation calling for adjustment.

Most frustrations of man in society have to do with *interpersonal relations.* Failure to achieve the favorable recognition of groups which are meaningful to us may be a source of serious frustration. So, also, failure to achieve response in romantic love often leads to violent emotional upset and calls for readjustment of one's world. Failure to realize a single ambition may frustrate a basic wish. For example, many a girl when she failed during pledge week to go into a college sorority has felt as though her whole future was darkened, her way forward blocked. She had expected through the sorority to climb the social ladder to new heights, to gain a new level of recognition.

Serious frustration, such as that caused by the loss of security through marriage conflict and divorce, through failure to achieve membership in the sorority or fraternity, failure to obtain a college degree and the recognition which goes with the sheepskin, leaves the individual defeated or else faced with the requirement of re-ordering his world so that his wishes may be achieved through some other means. He may submerge his defeat in the unconscious. This device, as we have seen, is considered a dangerous procedure. Freud's psychological theories hold that the unconscious must always be reckoned with. Smothered frustration comes out in dreams. In case of extreme suppression, it may lead to neurotic behavior or more serious mental difficulties.

Adjustment to frustration may be made by the substitution of one goal for another or one value for another. Escape is another type of adjustment. It may be into the world of fantasy through daydreaming or the reading of fiction. It may be through drink or, in the case of woman, the socially sanctioned avenues of imaginary sickness. It may be through a life of hermitage or by way of a nervous breakdown.

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Another common mechanism of adjustment is *compensation,* that is, overreacting in an attempt to gain desired recognition. A fellow who wanted to get into a fraternity but failed of election may strive desperately in athletics or scholarship to achieve recognition in his group even above that which might have come from fraternity membership.

Another device is that of *regression,* which is resorting to a more infantile level of behavior. Adolescents in some of their adjustment struggles revert to baby talk.

A person may also resort to *projection.* This, in a case of serious frustration, usually takes the form of attributing one's failures to others; in fact, attributing to others faults he himself has. It is a good deal like the primitive practice of burning an enemy in effigy.

One may find vicarious satisfaction in becoming identified with some great hero of literature, fiction, or screen. This is known as *identification.*

Finally, one may kid himself by giving himself good reasons for his failure rather than facing the real cause. This common mental practice, of which we are all guilty, is known as *rationalization.* It is really a way of excusing our social failure to ourselves or others.

The extent to which one uses these various adjustment mechanisms probably depends upon the extent to which his basic wishes are frustrated or fulfilled. Those who are often frustrated resort to many adjustment mechanisms and use them often in self-defense. Those who usually realize the fulfillment of their wishes find comparatively little need for protective devices and the occasional frustration may be so well balanced by repeated success that it requires little effort for satisfactory adjustment.

In our competitive society, from childhood up we are taught to use subtle forms of behavior rather than overt aggression, yet from childhood up smothered tendencies are there. Take, for example, the first-born child. When he sees the baby beginning to get most of the attention of parents, and a great deal of their affection, his own social self is frustrated and aggressive behavior is the natural result. He may feel like picking the baby's eyes out, but after a few assaults on the new baby the parents are likely to impose such a severe penalty that he has to work out his frustration in some other way to submerge it. Of course, the wise parent tries to create an attitude on the part of the first-born which will give him a sense of responsibility and pride in the new brother or sister. Thus the situation is changed from one of frustration for him to one which will minister to his feeling of status and security.

The various roles society defines for different age and sex groups vitally affect the extent to which it is possible for them, through the normal channels of activity, to satisfy their wishes through the realization of values sought. Consequently the amount of wish fulfillment experienced differs a great deal from individual to individual and group to group.

What opportunity does an educated Negro trained to seek the values of the white man's world have of realizing his wishes? His is likely to be a life of repeated frustration, if he ever dares dream of participating fully in the security, recognition, and status which an educated man has a right to expect in America.

Not all occupations give an equal chance for wish fulfillment. We often hear the modern machine job criticized on the ground that it makes an automaton out of the worker, that it robs him of a chance for creative expression. To keep from making him a neurotic, we have had to shorten the working day and build up numerous leisure-time activities through which this man-machine may achieve wish fulfillment.

Sex roles are defined by society. Modern woman faces this almost impossible dilemma: she must marry to satisfy one of the most basic wishes a human being possesses, that for response and security which comes in love, sex, and child-bearing. But at the same time she pays for this the price of sacrificing all of the competitive achievement values about which her wishes have been oriented during a long period of schooling and often during a period of work after finishing school. Few women can achieve both ends; therefore they must choose to cut off one or the other half of their vital wishes.

The average educated woman is apt to suffer a great deal of frustration compared to the educated man. Her training in the school system is directed toward the same social goals as that of men. She comes to experience

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the same thrill in competitive success that the man experiences in obtaining grades, achieving success in athletic participation, achieving the goal of economic independence, and all the freedom that goes with it. Later she marries, finds herself suddenly pulled out of this world of values for which she has been trained. She drops into that insignificant role of housewife. Her career is gone, many of the old social contacts are gone, the thrill of competitive success is no longer obtainable. She finds herself bored with the chatter of women's clubs and soon is so frustrated she is on the verge of becoming neurotic. All of the props that once bolstered her self-confidence and sense of importance have been removed. The male role, on the other hand, permits the fulfillment of both sets of wishes by marriage, having a family, and continuing throughout life to strive for the attainment of the wishes which men have been taught to seek through some twenty years of school training.

The social roles as defined by our grandparents for women placed them in no such dilemma of choice concerning which wishes to realize and which to frustrate. They expected to marry; they were trained for it; the wishes from infancy up were oriented toward this goal. Only modern woman has experienced the position of being in that no man's land halfway between the male and female worlds. Our grandmothers may have died early from too frequent child-bearing or from carrying too many buckets of water from the spring in the hollow, but they didn't find their way by the thousands to psychiatrists, psychopathic wards of hospitals, and institutions for the mentally diseased. That is a phenomenon of our time of universal education which boasts of equality for women, but which actually denies women most of the things that education promises them.

One of the significant adjustments of a person in our kind of social world is that brought about by the vast difference in the warm protective atmosphere of the family and play group in which human nature is nurtured, and the cold competitive casualness of the secondary groups, in which the adult is forced by virtue of the kind of society we have developed to spend much of his life.

The family group, if the individual remains in it for his lifetime, is always protective; it always throws around him a shield which protects him in time of crisis, helps carry his burdens for him, and gives him a sense of security in that he is never alone. By contrast, the person in the competitive groups too often feels that he is entirely dependent upon himself. Crisis finds him with no intimate group on which he can depend. His own resources at times become exhausted by the nervous tensions, the uncertainties, the fluctuating circumstances that life brings. These prove to be overwhelming for him. In an intimate group, where others help shoulder the catastrophe, the individual could face similar crises without suffering complete nervous exhaustion.

No amount of economic security through a Social Security Act or through other protective devices that impersonal groups have developed gives the same sense of emotional security and certainty in life that the great family of aunts, uncles, and cousins who made up the neighborhood or community in which one lived gave historically.

Every individual as he shifts from the primary group tries to make new primary group attachments, but it is hard in an impersonal society, especially for people who move after they reach maturity, to ever establish close intimate ties such as they had within their own family. The individual in marriage, of course, re-establishes an intimate group, but for many in our time, when so many marriages end in catastrophe, even this is no guarantee that the individual will have a warm intimate group throughout his lifetime.

Never in the history of mankind has the shifting of group roles been so much a universal experience as in our kind of society, where practically every young person leaves the family nest and the home community to make himself a place in other groups. This requires a struggle to re-establish himself in a position of prestige and recognition in the new social groups.

It is partly for this reason that our society is so highly competitive and that each individual has to exert his best effort to try always to make an impression. In intimate groups, one is known for what he is and for the reputation he has established. In other groups, the tendency is to put the best foot foremost, to dress well, and to make a good impression, for one is usually conscious that the situa-

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tion is one in which he will have only an insignificant role unless he creates an important place for himself in the new social group by super effort.

It is partly because of this necessity of shifting from group to group and establishing new group roles that our society requires adjustability of every person. Flexibility is one of the criteria of each individual's adjustment capacity, since those who are not flexible are likely to break under the strain and stress of fitting themselves to the new group situations which are an inevitable part of life in a complex society.

In a society of numerous groups, no individual can hope to play an important part in all of them. In fact, beyond a certain amount of broadening one's personality by associating widely, one must in time select groups in which he will do most of his participating as a social creature. Generally speaking, it is wise to select groups that have interests and goals that seem most worthwhile from the standpoint of the individual's own aims and objectives. It is equally wise to cease participation in those groups that tend to lead one away from his chosen course or call for types of behavior which he finds incompatible with his own personal ideals and standards as developed in his primary group and in his other contacts as he has grown from childhood to maturity.

In a complex society of highly mobile and highly specialized groups, any individual in the course of his climbing the social ladder and moving from place to place is bound to be thrown in with many groups whose standards and ideals he finds incompatible. In order to participate in these groups he has to sacrifice his moral or ethical standards or fall below the ideals he has come to accept as his. Rather than compromise these standards, if he has decided that for him they are worthwhile, he will find it easier to seek the association of groups which are like-minded. Selective participation, rather than sacrificing standards to the point where he has no genuine interest, real friends, or intimate groups, is a sensible practice in a complete society. Too much of our training in high school and college emphasizes wide participation and broad extension of experience rather than selective participation as a motto.

One must also limit his group associations simply because there are so many groups and organizations. In a modern complex society one's life can become quite pointless where one tries to participate in the activities of many social groups, even in one's own community. Individuals with a purpose in life, who expect to accomplish something and add to the culture by invention or creative endeavor, have to by necessity select those social groups that can contribute to their life goals. So, also, those who would participate in leadership must select their associations and direct their energies toward groups in which they may lead rather than spread them thinly over casual participation in numerous groups. Even in college young people have to begin to make selections, for in any college community there are more groups with special activities and interests than any one individual can give time and loyalty to, and still pursue his goal of acquiring an education, developing hobbies, or establishing friendships such as a college community offers.

Accepting William James's idea that we have as many selves as we have social groups of which we are a part, a certain amount of broadening of the self by participation in many groups has merit, but with too many group activities, one can become a trifler rather than a person with a purpose.

If we were to reduce these articles dealing with personality formation and personality frustration as a function of group experience to a simple formula, it would run about like this: to understand any person, (1) know his attitudes toward himself; (2) know his attitudes toward others.

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Oh World of Toms

Oh world of Toms—tomfools, Tom Peppers,

Dark Peeping Toms and Tom-the-Pipers,

Tom Paines, Tom Joneses, Tom Aquinases,

Undoubting Toms and Doubting Thomases,

Tomboys, Tom Thumbs, Tom-Dick-and-Harries,

Tom Collinses and Tom-and-Jerries,

Tom Wolfes, Tom Jeffersons, Tom Hardies,

Tomcods, tomcats, tomtits, tom-turkeys—

Oh hospitable world where every Tom

May pipe his tune and feel at home.

ROBERT FRANCIS

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JASPER R. LEWIS

Books in brief

Labor in America, with a capital "L," is represented according to statistics by some 15 million workers, no small segment of our population. That is organized workers only, of course. The rise of the trade-unions covers a period of nearly 200 years. *Labor in America,* by Foster Rhea Dulles (Crowell, $4.50), is a well put together narrative of the struggles, failures, and successes of the movement generally. It is based on records, documentary evidence, and earlier volumes, and its outstanding feature is possibly the way in which its story is told, making it a clear picture of the topic while maintaining reader interest.

Dulles has been teacher and writer, and his story appears to be fair to both labor and capital. It will surprise many to learn that even in the 1600's there were some "protests" of labor, while in 1768 a small but organized strike of tailors in New York set a precedent for combatting employers whose demands seemed excessive. These early groupings of wage earners met with scant favor on the part of gentry, particularly when the unions tried to band together in any kind of federation. As early as 1827, a Philadelphia group strived to elect labor candidates to public office and this tendency to enter politics periodically rose and fell with varying results.

Strikes, while not a general weapon, were resorted to from time to time, usually without violence until the latter part of the nineteenth century. Some of the most violent were in this period; the Homestead, Pullman, and Haymarket incidents leading. Nationwide labor organizations began to form at the same time, starting with the Knights of Labor in 1869. More or less naturally, all through the years American newspapers decried the policies and aims of the unions; public support for labor, as far as publications went, amounted to nothing until the present century. After the decline of the Knights of Labor, the American Federation of Labor rose slowly to a commanding position. Its rise under Gompers is sketched without any attempt to glorify either organizer or organization.

The years since 1932 offered a wide and increasing front for labor under the sympathetic regime of the New Deal. The chapters telling of the birth and growth of the C. I. O. and the friction with the A. F. of L., the Mine Workers' Union, and the United Automobile Workers, cover what is practically current labor history. These latter years were marked by less brutal but more efficient forms of protest, such as the sit-down strike, the slow down, and the work holiday.

Dulles brings his story down to the Truman administration and the present view of government that the whole question of labor, its aims, and its methods have become a matter of public concern. Attempts to make labor shoulder responsibility to the public, however, have so far been abortive. The volume omits both proselytizing and cynicism, presenting the history of labor and highlighting personalities and objectives in a fair manner for the general reader.

Labor in Norway, by Walter Galenson (Harvard University Press, $5.00), presents a study of the subject that is in some respects sharply different from the history of labor in the United States. Professor Galenson's study is intended to be factual, with details of organization and duties of the members and officers of the unions.

There are several points of particular interest, showing the sharp variance from practices here. For one thing, there is a distinct labor party in Norway, backed by the workers, which at times has held considerable power, as

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it does today. In America, occasional efforts to enter politics have met with hostility on the part of the public. Again, this same political position has brought public responsibility to the unions, something many unions in this country have successfully evaded. A third feature is the banding together of employers to present their side in discussions and agreements. There are American trade associations, but few of them cooperate on labor problems or contracts, being for the most part confined to trade practices.

Professor Galenson traces the growth of the labor movement in Norway during the past hundred years. Its rise seems to have been coincidental with the growth of American labor unions, but with a definite leaning toward socialism and even Marxism. Coupled with this tendency and the power achieved by its political complexion is the influence wielded by labor newspapers; to a great extent this means that workers read and are guided entirely by the labor press, an effective means of promoting and unifying their aims.

The fact that the employers are also well organized makes a background for intelligent arbitration of disputes. At times this has been compulsory. With the attainment of a complete labor government, however, the ultimate goal of Norwegian labor has become closer to realization. That is state socialism, and is its own problem. Other features, such as the more definite appreciation and use of peaceful means of solving labor difficulties is in considerable contrast to labor in the United States.

Professor Galenson includes tables and data to support his conclusions, and for those who are interested in the internal operations of unions there are instructive details of how crucial situations are met. The fact that Norway has its own views on a socialist economy, unlike Russia's, and with respect for individual freedom despite strong unionism, lends a practical present day value to the book.

BRIEFER COMMENT

CURRENT HISTORY

The views of a British physicist on the military and political consequences of atomic energy, *Fear, War and the Bomb* by P. M. S. Blackett (Whittlesey House, $3.50), is disturbing more in its political implications than on the scientific side. Professor Blackett sees a worldwide stalemate in relations unless Russia and the United States cease their race for armament and power. He bluntly makes the cold war between the two the great question of our time, and he discusses the claims of both nations in a fair if unpopular (to us) manner.

Maurice Hindus writes of the people of Persia, Egypt, Iraq, and Palestine in *In Search of a Future* (Doubleday, $3.00), depicting for the most part an underprivileged and unhappy populace. In contrast with the old communities and their natives, he found Palestine an up and coming area. Hindus thinks no progress can be made in the Middle East without ameliorating the condition of the fellah, who is in much the same position as the poorest peasant anywhere.

The thoughts of Soetan Sjahrir, former premier of the Indonesian Republic, are given in *Out of Exile* (John Day, $3.00). Nearly all of the book was written while the author was imprisoned by the Dutch, between 1934 and 1938. The chapters are a mixture of politics, the economic problems of the Indonesians, and a warm philosophy of his own. A leader of his people, his views apparently are directed toward a gradual but sure rise of his country to a place in today's world.

George Creel comes to the defense of Chiang Kai-shek in *Russia's Race for Asia* (Bobbs-Merrill, $2.75). He declares that Moscow controls the Chinese Communists, and that the Nationalist government under Chiang has not been as venal as we have been told. The danger of China's falling into communism is more convincing than the praise of her recent regime.

Canada as seen through the eyes of an author neither Canadian nor American can show facts overlooked by both. Andre Siegfried in *Canada, An International Power* (Duell, Sloan & Pearce, $3.50), finds Canadians a race apart, loyal to the Empire but pursuing their own way. He reviews Canadian industries, problems, and political aspects. He also found that the United States is feared, rather than loved, by her northern neighbor.

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Poland Struggles Forward, by William Cary (Greenberg, $3.00), is the author's opinion based on personal investigation. Some of it repeats and enlarges upon the recent German atrocities. Some of it describes the real help Poland is receiving from Russia, while the Marshall Plan gives the needy tobacco, coffee, and wine instead of machinery. In fact, "the Poles are not enthusiastic about the Marshall Plan." That might well be worth an investigation also.

A plea for greater and closer cooperation between the United States and Latin America is the theme of *We of the Americas,* by Carlos Davila (Ziff-Davis, $3.50). Davila intimates that is more important to our own security than European entanglements. He scores our blundering South American diplomacy to date and our commercial relations as well. Some of his criticisms are no doubt justified, but some of the opinions and conclusions seem farfetched.

BIOGRAPHY

Inishfallen Fare Thee Well, by Sean O'Casey (Macmillan, $4.75), is the fourth volume of the autobiography of the outstanding Irish playwright. This covers the period of the greatest violence in the struggle for liberty, with sharp reflections of the Civil War, culminating in the Irish Free State, as seen through O'Casey's eyes. Told in the third person in narrative form, with some of the characters well known in literature or art, it carries his biography up to his disagreement with the Irish Theatre group and his farewell to Dublin to go to black and unholy England. It is one of the most delightful volumes of recent issue, intense and bright at the same time.

Lincoln's Secretary, by Helen Nicolay, (Longmans, Green, $5.00), presents the biography of John G. Nicolay, private secretary to the Emancipator from his first campaign to his death. The author writes of her father and his biography of Lincoln with plenty of detail of official life in peace and war, and warm recollections of people of the time.

An interesting angle on American politics is given by *People and Politics,* by Lamont Buchanan (Stephen-Paul, $2.75, distributed by Greenberg). It is a pictured history of our two-party system, from Washington to Truman, told in photographs, cartoons, and posters.

The Durable Monument, by Admiral Sir W. M. James (Longmans, Green, $4.00), is a biography of Horatio Nelson with emphasis on the naval engagements in which the British hero figured. Lady Hamilton's part is given second place by the author who, an admiral himself, is more interested in fighting. In fact, his opinion of Lady Hamilton is far from flattering.

GENERAL INTEREST

Days with Bernard Shaw, by Stephen Winsten (Vanguard, $3.75), are the reminiscences of a neighbor to whom the sage, philosopher, or egotist, as you prefer, revealed himself from time to time. It is Shaw frequently at his impromptu best, discussing himself, Wells or politics, and it offers a friendly picture of some of Shaw's personality that is generally concealed.

Russia in 1931 as E. E. Cummings saw it, is described in *EIMI* (Sloane, $5.00). In diary form, as he wrote it on his journey through the country, it is done in the usual Cummings way, without orthodox punctuation, capitals. (How does it ever get proof read?) It seems to have much in it of everyday life in the Soviet.

Milestones of American Painting in our Century, by Frederick S. Wight (Chanticleer Press, $5.00), gives 50 brief sketches of American painters of the past 50 years, with a reproduction of a work of each. The author also gives an outline of the coming of age of American art.

The position taken by the Protestant churches in the changing customs and standards of America between 1828 and 1895, is discussed in *Protestant Churches and Industrial America,* by Henry F. May (Harper, $3.50). The study is confined to the Presbyterian, Congregationalist, Baptist, Methodist, and Episcopalian denominations and their part in the social problems occasioned by new outlooks on labor and the people who labored.

Friedrich Georg Juenger deplores the influence of the technological age upon mankind. *The Failure of Technology* (Regnery, $2.75), translated from the German, shows wherein the machine age is defeating itself,

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as well as making for deterioration of culture generally. The ultimate, of course, is destruction of humanity by man's own inventiveness. Written in 1939, before the atom bomb, it may not be far fetched to assume that Juenger anticipated it.

A brief summary of his doctrines is *An Outline of Psychoanalysis* by Sigmund Freud (Norton, $2.00), written in 1938 and now translated from the German for the first time. It contains three parts: the Mind and Its Workings, the Practical Task, and the Theoretical Yield.

Freedom of Information, by Herbert Brucker, (Macmillan, $4.00), is discussion of the principles on which American newspapers generally assemble and offer their news. Brucker, editor of the Hartford *Courant,* maintains the integrity of the press. Some chapters relate the problems of the papers; some scrutinize the methods of government agencies; and some offer general information on the profession.

The experiences of the gold seekers who migrated to California by ships, form the chapters of *Sea Routes to the Gold Fields,* by Oscar Lewis (Knopf, $4.00). Based on diaries and letters, the record confines itself to the troubles and adventures of the pioneers while en route, leaving out the story of the quest for gold.

FICTION

At last a topnotch novel about a topnotch pirate. *Cutlass Empire* by F. Van Wyck Mason (Doubleday, $3.00), is the novelized career of Henry Morgan. Murder, rape, torture, and treasure, mixed with adventurous expeditions against the Spanish, capped with love interest and a knighthood. Read it just for the fun of it.

The Golden Warrior, by Hope Muntz (Scribner's, $3.00), is a historical novel, the story of King Harold and William the Conqueror, culminating in the battle of Hastings. The medieval atmosphere is excellently conveyed, there is plenty of mild adventure and love interest. Barring a somewhat brusk style preventing smoothness, it is well done.

A little matter of the poisoning of a white, ostensibly by a quadroon, makes a Mississippi court case a forceful drama. *Double Muscadine,* by Frances Gaither (Macmillan, $3.50), reflects the double standard of values where the Negroes are denied even the benefit of truth in a trial. It is a good story, well told, and with a tense quality to support the unfolding of its climax.

Return to Vienna, by Ernst Lothar (Doubleday, $3.00), tells the reaction of an Austrian who returns to his beloved native city after becoming an American citizen, and finds there through romance all the sadness of a defeated and broken people. There is a thread of the result of the Nuremberg racial laws, and tragedy with it. The description of post-war life in Vienna is particularly detailed.

The problem of Negro blood in a professed white's family is only part of the plot of *But the Morning Will Come,* by Cid Ricketts Sumner (Bobbs-Merrill, $3.00). Another part of it is the complication afforded by the current generation's weaknesses, and the development of the character of a girl awakened by the dramatic conflict of emotions peculiar to the same question. It is well developed and well told.

Dr. Albert Farmer, Professor of English Literature at the Sorbonne, in a speech at Middlebury College, told of reading a French translation of *Babbitt.* "I came on the passage where Babbitt says to Mrs. Babbitt: 'Now, look here, hon. . . .' The translator had put in this explanatory note: '*Hon*: abbreviation of *honorable.* American husbands address their wives by this title.' "

Modern Language Journal

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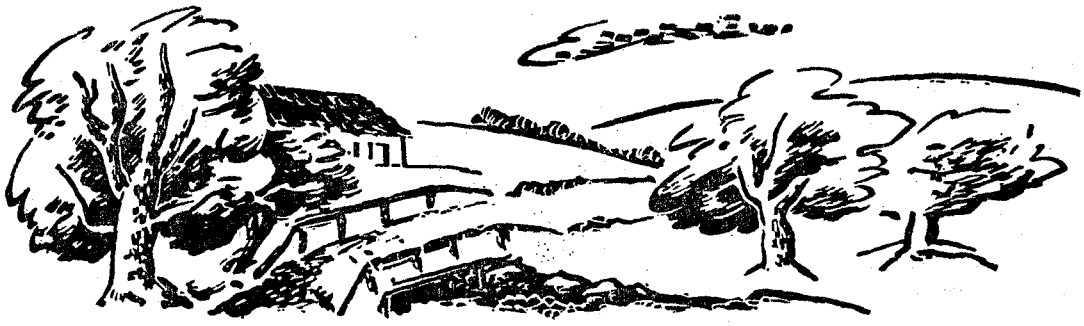

COUNTRY COMMENT

The Massachusetts lake with the long name is in the news. Chargoggagoggmanchauggagoggchaubunagungamaugg. Incensed at finding the word abbreviated on maps to Chaubunagungamaug, State Senator Joseph Gibney has launched a campaign to make the full name, and nothing but the full name, official. My information comes from a special dispatch to *The New York Herald Tribune.*

"I can understand that the printers might leave out one letter, two letters, or even three letters," Senator Gibney is reported to have declared on the floor of the Massachusetts senate, "but when the printers leave out 28 letters, I sincerely believe that an injustice has been done."

Possibly the fact that the lake itself has a shoreline of seventeen miles has made the printers prefer the seventeen-letter abbreviation. The name rightly contains, as you may verify for yourself, 45 letters. The National Geographic Society, though holding to the longer form, has nevertheless unfortunately chiseled down the 45 to a mere 40.

"We never gave them permission to do that," Senator Gibney is said to have said.

All of the 13,500 men, women, and children of Webster, Massachusetts, where the lake is situated, know how to pronounce the word. says the Senator, having learned it by heart at school.

"You fish on your side, I fish on my side, nobody fish in the middle," is the quaint meaning of the name.

I learn from other sources that the Indian tribes that lived around the lake and reached this modus vivendi among themselves, were some of John Eliot's "praying Indians." Thus the long name might serve as an amusing illustration of the effect of Christian ethics on the primitive mind, or the effect of the primitive mind on Christian ethics.

Senator Gibney proposes to take the issue to the United States Department of the Interior, which is in charge both of maps and of Indian affairs, the implication being that if that department sanctions the 45 letter spelling, no parsimonious printer would henceforth dare leave out a single letter.

I wish the Senator and all 13,500 citizens of Webster who are behind him, success. Having abbreviated the Indians themselves some years ago, abbreviated them almost out of existence and off the map not only of Massachusetts but of the whole United States, let us now keep this Indian word intact and sacrosanct as a memorial to their departed spirits. Let us rattle it off ritualistically as do the good citizens of Webster, until we, like them, become possessive about it, quick to defend every one of its 45 letters. Let the school children of the nation learn to roll it on the tongue and write it on the blackboards of the land. Above all, let it be a sharp reminder to us of how treaties and fishing rights have changed since the Indians were here.

Does not the Pale Face now fish on the other side of the pond as well as on his own? Does he not fish all around the pond and in the middle too? Does he not fish wherever he can manage to cast his line? And in a pond that grows ever bigger?

After the 45 letters have gone to the Department of the Interior for approval, should they not go on to the Department of the Exterior, that is, the Department of State? Where else could the quaintness of the sentiment be better appreciated?

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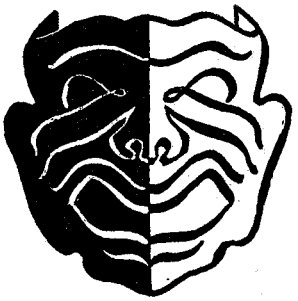
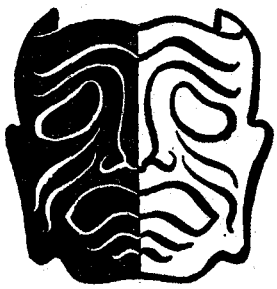


The THEATRE ARTS



by John Gassner

The heralded return of Clifford Odets, white hope of the 1930's and stormy petrel of the lamented Group Theatre, was the main event of a month in the theatre otherwise notable only for its dizzying variety. Mr. Odets celebrated his freedom from Hollywood with *The Big Knife,* a stinging attack not only on the film industry but on the alleged perversion of human values in the world's last effective outpost of capitalism. As was to be expected, his play had no deficiency of passion and protest, and it was hurled at us by some of the heaviest artillery of the current stage. The biggest of the Big Berthas was none other than John Garfield, an actor to reckon with at any time and a discovery of the Group Theatre some fourteen years ago when he played the role of the embattled son in Odets' *Awake and Sing.* Another telling barrage came from J. Edward Bromberg, one of our most powerful character actors. Hardly less potent were Nancy Kelly, Paul McGrath, Reinhold Schunzel, who never falls short of excellence, Theodore Newton, and Joan McCracken. For the directorial assignment, the management had selected Lee Strasberg, who made *Men In White* one of our memorable productions. He was the co-founder of the Group Theatre, and the man most responsible for turning it into the best acting company in the history of our stage.

If the results fell short of expectations, the fault lay not with the production, even if the overblown stage setting and the staging emphases could be subjected to some criticism by an expert in production art. The blame devolved upon the author, and ultimately, upon the ideological base of his entire career. And this is regrettable because *The Big Knife* proved that Odets has lost none of his theatrical vigor and that no one writing realistic drama, not excluding the Arthur Miller of *Death of a Salesman,* can surpass his power to write with an explosive force and with a wild and swirling poetry of torment and bedevilment. These qualities are, indeed, so valuable that anyone who dissects the play without first paying tribute to the author and hoping that he will continue to contribute to the theatre is both nearsighted and shortsighted.

If *The Big Knife* is not a successfully realized play, it is not because Odets still writes some embarrassingly callow lines of dialogue and has himself under imperfect control. It it because Odets, a product of the agitated left-wing theatre of the 1930's, is heir to its major faults—to the tendency to put too much of the blame on society and too little on the individual. No sense of "original sin," insufficient awareness of the evil and weakness of the individual ego, regardless of the faults of society, is apt to produce a maudlin sentimentality. A worthless character is apt to be thrust forward as a victim of society, his personal failure is likely to be inconclusively and unconvincingly equated with the "system." This kind of writing consists of throwing a pebble at one little sparrow in the hope of knocking down an eagle—the American eagle. This often causes the playwright to miss both birds. It also leads to some extremely odd notions of victimization. The victim is likely to have millions thrust into his hand, and we are expected to commiserate with him on the nebulous grounds that he might be doing something great in the theatre if he weren't starring in motion pictures. The pitiful creature is, alas for him, making victims of a lot of other people! Hunting for victims of capitalistic society is likely to prove a Keystone Cop chase in which the author winds up catching himself by the tail of his metaphor for social evil.

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In *The Big Knife,* his tenth produced play, Odets is as unwary in creating an allegory as he was wary in his second masterpiece, *Golden Boy.* He tells the sad story of a star who accidentally ran over a child while painting the town red with a cinema-crazy little tart, a fact that he keeps from his wife and that the studio keeps from the public by getting his publicist to go to jail in his place. Henceforth the studio has a weapon over the star and wields it to exact a new 14-year contract from him at a figure of three-and-a-half million dollars. This is presented as a flagrant example of capitalistic exploitation. The hero resents it nobly and his tiresomely disgruntled wife leaves him when he signs the contract. The hero's patience snaps, however, when the studio proposes to do away with the young tart, who is now threatening to divulge the truth about the accident and so ruin the studio's investment in its star. Boldly, he tells off the studio owner, who finally sends him packing. But the star, faced with the possibility of going to jail and regarding his Hollywood years as years of the locust, cuts his veins in the upstairs bathroom.

The fallacies of the argument are even more flagrant than the assumption that a studio would resort to murder, in this case when so many other expedients are open to the Hollywood magnates. Considering the high rate of unemployment in Hollywood and on Broadway, it is difficult to shed tears over the star's unfortunate dilemma, which offers him a three and a half million dollar contract, with the right to approve the stories in which he is to appear, and the offer of a vacation, which will allow him to appear on Broadway if he so desires. No evidence is offered that he could employ his time to better material or artistic advantage, that his talent has suffered from exposure on celluloid. No proof is offered that his weakness of character is artificially induced by Hollywood rather than inherent in his personality. From what noble heights did he fall in the first place? The dual career of John Garfield himself in both films and theatre refutes Odets' diatribe.

Was Odets so obtuse as to overlook these obvious flaws in his argument? I do not think so, although it is evident that his reaction to the Hollywood of his own servitude is less than dispassionate. For Odets, his Hollywood story was merely a convenient peg on which to hang his social passion. His star's story, so realistically noted in details and so unrealistically analyzed and evaluated, was to be both a springboard for a more comprehensive indictment and a symbol of the way the rot eats into our souls in a predatory society. The court of critical opinion must, however, dismiss the case on the ground that the plaintiff has not made his charges stick. The danger of this kind of insufficiently established social criticism started in the embattled 1930's of the depression theatre. Odets, himself, helped to implant this weakness in it with his early work and he is currently reaping the fruits of his sowing. That they are not entirely dead sea fruit is the effect of his talent rather than of his discrimination. He writes so vividly and so vibrantly that he could make a corpse walk. But even genius could not make it walk up to the judge's seat, and it is precisely in that direction that he faced his play. His effort to make it march to the bench is consequently strained—so strained, in fact, that the second half of the play suffers from much of the superfetation of obvious melodrama that Odets would be the first to scorn in a Hollywood screen story.

The rest of this report must be a miscellany. One considerable item is John Golden's revival of Sidney Howard's 1924 Pulitzer Prize drama, *They Knew What They Wanted.* Although the play is no longer startling in its conclusion, in which an elderly Italian overlooks his wife's infidelity and accepts her illegitimate child, it still possesses more of the substance of reality than most current plays. The late Sidney Howard had a grasp of reality and a quality of sympathy that we cannot lightly dismiss. A warm and often affecting comedy, *They Knew What They Wanted* deserved revival, and Paul Muni's Tony has singularly fine moments of humanity. His overeagerness as a suitor, his general tenderness of spirit, and his love of gayety and life make an endearing stage personality. Carol Stone's Amy, the San Francisco waitress who becomes Tony's wife and ultimately settles for a home instead of a romantic marriage, provides another authentic portrait. If the production falls short in many ways, there is no point in examining the shortcomings for those who are not familiar with the text and the

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current revival, because it is the directorial interpretation that failed to make the magic of the play express itself. It would be an injustice, moreover, to compare the performances with those of the original 1924 company, which included Richard Bennett and Pauline Lord. These actors and Glenn Anders, who played the I.W.W. handyman Joe, to whom Amy succumbs on her wedding night, gave us unforgettable examples of acting. But their effectiveness in the play was not the result of virtuoso work but of an interpretation that adhered to the spirit of the play.

Paul Muni is altogether as good an actor as Richard Bennett was in the part of Tony, although Mr. Muni needed firmer directorial reins than were evidently imposed on him. Audiences recognize his talent from his first shuffling movement on the stage. He overstrains the part mainly because the play is directed as a vehicle, which is unfortunate in a play in which the interaction of three principals is the entire point of the writing. Each of them renounces something and settles for something less than the romantic optimum, and it is this fact, sensitively demonstrated, that constitutes the quality of Sidney Howard's realism of outlook and dramaturgy. A situation that a decade or so earlier in America, in 1910, would have been a romantic triangle tragedy, and that would have been a Sacha Guitry boulevard farce acros the Atlantic, was canalized into a drama of human relations neither jejunely romantic nor sophisticated. The play belongs to an intermediate genre, which if not overwhelmingly successful because tragicomedy is never entirely successful, has the ring of truth. It is funny but also truthful, it is of the theatre but also of life. It is, indeed, quite remarkable in this respect, tragicomedy being normally evasive of the truth and dishonest by any yardstick other than mere or, shall we rather say sheer, theatricality. By the same token, however, *They Knew What They Wanted* can deceive a stage director. The play looks like a simple assignment because the theme and the writing are unassuming. Actually, it requires direction that can keep an even keel between comedy and pathos, and between folksy effervescence and the quiescence of resignation. Community theatre directors who undertake to stage this modern variant on the Paolo and Francesca story, which is Howard's own description of the play, had better chart their course carefully.

At the other extreme of the theatrical spectrum we have recntly had a recrudescence of farce, a type of drama at which we have played strenuously and well for some time. We have acquitted ourselves quite notably, indeed, in such cases as *Room Service, Three Men on a Horse, Twentieth Century,* and *Boy Meets Girl.* In recent seasons, nevertheless, our luck has ebbed, except where the farcical element was only one of the ingredients, as in the case of *Mister Roberts.*

By grace of the Yale Drama School, *At War With the Army* opened with considerable hilarity. Its author, James B. Allardice, achieved enough safe distance from military service to be able to make a noisy Punch and Judy show of what was once a very serious business, and it does not become us to grudge him and his fellow-soldiers the release that *At War With the Army* gives him. With Ezra Stone directing and Donald Oenslager doing the scenic honors, and with performers as able as Gary Merrill, Mike Kellin, and William Lanteau, the production moves at a fast clip. This is, in fact, an understatement, as a B-29 would have a hard time catching up with both the play and the production. If this is a virtue on the stage, then *At War With the Army,* with its whirligig of misunderstandings and pranks in an army camp, is everything one could desire. But space, it would seem, is also a dimension of the universe, and space, at least for the human species, involves direction. This reviewer, and he imagines that other people share his distress, couldn't tell where the play was heading. Nonsense can be delightful, but it loses a great deal of its delight when it makes us lose our way. Mr. Allardice's farce was written under the urgent necessity of making a two hour play out of a clever notion.

Two Blind Mice is another product of Samuel Spewack's inclination toward farce, which is at its best when it can sharpen its teeth on absurdities in contemporary life. The Hollywood fandango of *Boy Meets Girl* was an ideal provocation to Mr. Spewack and the result was joyous. *Two Blind Mice* has its moments, too, when Mr. Spewack sets up his camera in Washington. There is huge fun in the initial situation of two elderly women continuing to operate a bureau in the Department

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of Interior long after it has been abolished by senatorial edict. *Two Blind Mice* would be a complete success if the play could be sustained on the same level by the antics of Melvyn Douglas as a newspaperman bent upon saving them from prison and recovering his divorced wife, who happens to be the niece of one of the culprits. Mr. Douglas does his best to keep the jig going as it becomes increasingly complicated, and there is a benign moment whenever Mabel Paige, who plays the more scrambled of the two ladies, holds our attention with the blisses of the inane. All would be well, indeed, if our government could compete with Hollywood for farcical honors, which it fortunately cannot. Unfortunately, Mr. Spewack has to rely upon the newspaperman's intrigues for a plot, and the play becomes tenuous. It begins to suffer from the law of diminishing returns after the first act because the lunacy rises less from the author's political or human material than from his determination to keep the farce going.

Midway between farce and serious drama, and in a vein exceedingly difficult to popularize on our stage, was Dalton Trumbo's *The Biggest Thief in Town*. Dalton Trumbo is a man of rare talent, better known to those who follow screen writing than he is on Broadway, and there is no question as to his possessing a keen faculty for satire and social-minded earnestness. Lee Sabinson is one of our worthiest producers, and Herman Shumlin, who was responsible for the Lillian Hellman successes, *The Male Animal* and *The Corn is Green,* is one of the three or four truly redoubtable directors our stage has had. Mr. Shumlin assembled a superb cast for the production, and its chief performer Thomas Mitchell has never acquitted himself better than in the role of an undertaker who is torn between his conscience and his urgent need for money. The tide in his affairs rises and ebbs with the life and death of a thoroughly disreputable business tycoon, who literally walks out of his coffin only to doublecross a business associate of his and to make him take full responsibility for defalcations for which he himself is responsible. If he survives, as he fully expects to do in spite of being nearly embalmed by Thomas Mitchell, he will spend the rest of his mortal years in a penitentiary. He evades this possibility, but the cosmic joke is ultimately on this joker, whose resuscitation is of very short duration. This is the high point of the play and is one of the funniest and most barbed scenes of this or any recent season.

The rest of Mr. Trumbo's play fails to rise to the level of the climax owing to an expository first act that delays the drama and a less than inspired though intelligent love affair, as well as to overstrident hilarities at the expense of the dying tycoon, *The Biggest Thief in Town* is nonetheless a curiously fascinating admixture of grotesque satire and rueful exploration of the problem of remaining honest in this money-minded world. How to make consistent comedy out of this macabre story for an American public is a problem Mr. Trumbo and his producer have not solved, and they are likely to be penalized for this at the box-office. It is more a play for European consumption because the transatlantic public has more taste for ghoulish satire. But there is every indication in the play that Mr. Trumbo can bring good substance and artfulness to the theatre if he will devote half as much energy to writing for the stage as he has devoted to writing for Hollywood.

At the periphery of Broadway we have had several ambitious productions—a delightful revival of the Hindu classic, *The Little Clay Cart,* directed by Professor Milton Smith at Columbia University's Brander Matthews theatre; a revival of Barrie Stavis' revised Shavian study of dictatorship and superman ideology, *The Sun and I,* ably directed by Boris Tumarin for New Stages; and Piscator's production of the first post-war German play that has literary distinction, *Outside the Door.*

The Little Clay Cart has all the charm and wisdom we associate with the classic periods of oriental theatre. It stylizes a romance with superior humor and a political revolution with grace and innuendo. Milton Smith conveyed the spirit of this stylization with less than experienced actors. Most Broadway directors would have stumbled themselves into banality as effectively as Professor Smith led his performers into a dance of enchantment.

The Sun and I retold the biblical Joseph story as a talented young man's *hubris* and managed to surround the ancient story with contemporary implications and humor. But the writing missed most of the sparkle that the theme needed.

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Outside the Door is a play of protest by Wolfgang Borchert, which Piscator produced with his usual skill, as well as with his customary didacticism, at the President Theatre. Borchert was a German soldier who died in 1945 at the age of 26, and it is indeed a remarkable job of writing for a young man. He was a poet and employed imagination in this account of a returning veteran's disillusionment upon finding that the war was futile and that he is unwanted by everyone. He had no perspective, however, and one could hardly be expected of him. Piscator tried to supply it by means of a prologue and a brief comment at the end of the performance, but this remained extraneous to the play as written by the author and could not materially improve it. Nor was the construction helped or the interest sustained by Borchert's expressionistic chaos, maudlin self-pity, and persistently strident repetitiousness. Nevertheless, the play, which is obviously not a Broadway vehicle, could be commended to those who wanted to see what post-war Germany is producing, since it reputedly created a sensation and has received more than 50 productions in the Allied Zones of Germany. In young Martin Baum, who played the returning soldier, one could find, moreover, an actor worth watching. Next to Marlon Brando, he is the most talented young actor to come from the Dramatic Workshop.

George Bernard Shaw and a party of friends attended the theatre one evening as guests of the woman author of the play.

"Remember," she said jestingly, "you're not to leave in the middle of the play."

Shortly after the curtain went up, Shaw, seated directly behind the authoress, leaned forward to get a better view of the stage. After a few minutes, feeling a tickling sensation on her neck, she reached back and felt a few loose strands of hair. Taking some hairpins, she quickly fastened the hair back into place.

When the curtain came down, Shaw leaned back in his seat. As he did so, he let out a yelp of pain.

"Is something wrong?" asked the authoress, turning around.

Shaw groaned again.

"Madam," he cried, "if you will please take my beard out of your hair, I will promise not to leave until the play is over!"

—*Townsend National Weekly*

If they televise Congress, a lot of people are going to wonder who posed for the campaign posters.

—*Pathfinder*

Some people are like static on the radio. They are good for nothing but interference.

—*Arkansas Baptist*

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More Than

FIFTY YEARS OF FORUM

Looking back through the pages of the Forum for November, 1892, we came upon an interesting if superficial article on the problems of the agrarian South. In "The Matter with the Small Farmer," R. Means Davis searches for the causes of Southern poverty. A Southerner, himself, he describes conditions of unrest and the feelings of the small farmer. Fifty-seven years ago Mr. Davis wrote:

"Whatever may be the condition of agricultural interests elsewhere, there is no doubt that the small farmer who plants cotton in the South is embarrassed, and the future holds out little hope of relief through established methods. He knows what it is to work hard and live scantily, for from choice or necessity he has tried it for years. Every spring he has set to work with all the hope that is inseparably connected with the turning up of the mellow soil with the plough and the new birth of nature, and yet every autumn his chief harvest has been disappointment. He finds himself in summer with a mortgage on his land and his mule and a lien on his growing crop, while 'futures' are quoted at less than the cost of production. . . . . If he has toiled faithfully all these years, as many farmers have, and is yet penniless, he feels that misfortune has come not through his remissness, but is the result of some extrinsic baleful influence . . . . . The small farmer believes he has found him (the thief) skulking in Wall Street, or hiding behind railway embankments, or lurking in the vaults of national banks. . . He is told that if he can capture the strongholds of political power and use the government for his behoof, as his oppressors have used it for theirs, he can solve the problem and make himself and everybody else happy by coining plenty of silver dollars to lend to agriculturists at nominal interest."

Discussing the reasons for this situation, Mr. Davis finds that the worn-out land in the South is one of the most important. He lists others:

"Cotton is not protected, while goods needed by the farmer are protected. . . : A still more formidable drawback to the small farmer is the competition of the huge plantations of the West. Fertile land admits of production at little cost; and cotton can be sold at prices that cannot be other than ruinous to the small farmer. . . . . Congress cannot prevent this competition with the large planter. . . . . But the most important factor seems not to have been properly considered in discussion of this subject. It is what may be called the Fixed Charge of the Family. . . . . As the latter charge is to some extent constant, it follows that the smaller the farm the heavier the burden on the farmer. While a profit of ten dollars each on forty bales will meet a charge of four hundred dollars, such a profit on ten bales means exceedingly straightened circumstances. . . . . The farmer it at once landlord, capitalist, and laborer. He makes full wages as laborer and a fair rent and fair profit on his investment; but the trouble is that his investment is too small for his family. . . . .

"It may be suggested, in conclusion, that the small farmer should more and more endeavor to leave the production of the staple crops to large planters and devote himself to 'small farming' indeed. He has muscle and he has land in plenty. He greatly needs capital to utilize them to the best advantage. Denunciation of railroads, factories, and banks will hardly make him more prosperous."

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FORUM: *Is th*

For National

YES!

By HARLOW HIGGINS

ON February 13, 1949, the American Medical Association published its 12-point national health program for the improvement of private medical facilities and public health in the United States. The program is frankly offered as an alternative to the socialized medicine proposed in the Ewing 10-year plan.

Approximately 150,000 doctors are represented by the A.M.A., a tax-exempt, nonprofit organization forbidden to lobby in Congress. The Association is actually not a national society at all, but a federation of state and county medical associations. Its Executive Committee is appointed by a Board of Trustees, named by a national House of Delegates, which is chosen in turn by the Houses of Delegates of the various state societies.

Because of the personal relationship between doctor and patient and the difficulties of obtaining and judging high-quality medical care, the medical profession has always opposed state or socialized medicine. The A.M.A. plan now under discussion was formulated in response to Mr. Ewing's proposals of September, 1948.

HISTORY

The background of the A.M.A. program may be summed up briefly. In the fall of 1948, the Association levied an unprecedented assessment of $25 per member, "for a nationwide program of education on the program of American medicine, the importance of the conservation of health, and the advantages of the American system in securing a wide distribution of a high quality of medical care." The A.M.A. goal for the fund is $3,500,000.

Because of the nature of the organization, collection of the levy was left to the state organizations, some of whom refused to regard it as compulsory. Early in February, 1949, A.M.A. members who described themselves as "middle of the road doctors" opposed to compulsory insurance, protested the $25 assessment if the funds were to be used for "propaganda and legislative lobbying." As an alternative, they asked the A.M.A. to use the new fund to further an adequate A.M.A. health program.

Members of the A.M.A. are for the most part practical, practicing physicians. They are intimately aware of the many shortcomings of public health in the United States. They realize from their own every-day experiences that complete, high-quality medical care for every American from the cradle to the grave *cannot be legislated* and *cannot be produced overnight.*

The A.M.A. plan is a practical, adequate program for gradual improvement of American health. First of all, the A.M.A. suggests the creation of a new, federal department of health headed by a doctor with Cabinet rank. It calls for the promotion of a national science foundation for research, for the expansion of medical and nursing schools and rural health centers, for the further development and wider coverage of voluntary hospitalization and medical care plans, new emphasis on industrial medicine and "the establishment in each state of a medical care authority to receive and administer funds with proper representation of medical and consumer interests."

This plan can be evaluated only in contrast to the Ewing plan, sponsored by the Truman administration. According to this proposal, the federal government would levy a flat three per cent tax on every individual's earning up to $4800 per year for compulsory health insurance. The insured would then have their hospital and doctor bills paid out of the national fund. As now formulated, patients would be able to choose their doctors and doctors would

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A. M. A. Plan Health Adequate?

NO!

By JAMES CARR

IN 1947, the lobbying arm of the American Medical Association, known as the National Physicians Committee, spent $345,000 to fight the Murray-Dingel compulsory health insurance bill.[1]

In the first nine months of 1948, the National Physicians Committee spent $353,000 for the same purpose.

Today, the National Physicians Committee is asking for a "Zero Hour" contribution from its members of from $25 to $300 to fight socialized medicine.

At the same time, the American Medical Association is raising a $3,500,000 war chest to defeat national health insurance legislation in Congress by assessing every A.M.A. member $25.

The last-ditch opposition of the A.M.A. and its subsidiaries to any and all attempts to broaden the base of high-quality medical care by state aid is well known. The National Physicians Committee has even been reported stooping to Christian Front tactics, including in its "Zero Hour" solicitation a letter from Christian Fronter Dan Gilbert. Beginning "Dear Christian American," the letter allegedly contains such choice bits as: "the medical Czar in Washington would doubtless order a plowing under of babies."

Understandably, even stalwart A.M.A. members have been offended and embarrassed by propaganda of this type For this reason, and only for this reason, the so-called middle of the road doctors urged the A.M.A. to advance some plan of its own against the Ewing plan.

Similar advice came from the high-powered public relations firm of Whitaker and Baxter (San Francisco) hired by the "non-lobbying" A.M.A. to handle its publicity against compulsory health insurance.[2] Said Whitaker to the Association:

> We want everybody in the health insurance field selling insurance during the next two years as he never sold it before. . . . . If we can get ten million more people insured in the next year and ten million more the next year, the threat of socialized medicine in this country will be over.

That the A.M.A. is aware of rising support for the Ewing program is clearly shown in its current advocacy of voluntary health insurance plans. Were it not for this threat to its die-hard conservatism, the A.M.A. wouldn't be caught on the same side of the street with a voluntary or compulsory health insurance plan.

Although for some years the A.M.A. has pretended to support certain health insurance plans, its opposition has always been marked. In 1943, it was convicted by the Supreme Court for conspiracy against the Group Health Association of Washington, D. C. The latest federal proposal for national health found the A.M.A. busily cancelling Blue Cross coverage for the employees of its own headquarters, and switching to a less powerful form of insurance.

A current proposal by the Blue Cross and Blue Shield Commissions was rejected by the A.M.A. House of Delegates in December. The joint Commissions, headed by Dr. Paul Ramsey Hawley, proposed the issuance of policies covering medical and hospital bills on a nationwide (instead of state) scale, to allow big business to cover all employees wherever located under a single policy. To the A.M.A., this proposal for strengthening *voluntary* in-

[1] The National Physicians Committee is nominally independent, but actually the members of its governing body rank high in the American Medical Association, itself a tax-exempt organization forbidden to lobby.

[2] This firm was responsible for the defeats of similar legislation in California in 1945.

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[*Continued from page 292*]

be able to continue in private practice, on a fee basis, the fees to be collected from federal insurance funds.

After publication of the Ewing report, an editorial in the A.M.A. *Journal* summed up the A.M.A. viewpoint:

The statistics released by Dr. Ewing are "the same old figures that the proponents of government medicine have been launching at periodic intervals for the last 20 or 30 years."

The amount and quality of medical care given to most people of the world under compulsory sickness insurance plans would never satisfy Americans.

Editor Morris Fishbein took a personal trip to England shortly after the National Health Act of Great Britain became effective last July. He wrote, for the *Journal*:

ENGLAND

> People in England may now go to the doctor without calculating the cost of the service. They may have consultants and beds in hospitals without reference to individual payments for services rendered. That is what the National Health Act of Great Britain promised them. Do you think they get it? No, indeed!
>
> They queue up to see doctors whom formerly they could have seen by appointment. Doctors are compelled to write formulas and prescriptions and reports many hours in advance of the time when they see the patients, because otherwise they would never have time to see them. Many a physician is already satisfied that he cannot work under the act.
>
> The unfortunate public can have no way of knowing whether or not what they get is good medical service or something to make them think they are being given attention.
>
> The greatest folly in the world is the manner in which Great Britain embarked on a nation-wide health service without hospitals, doctors, nurses, drugs, or money to supply what they promised, and an even greater folly would be the attempt to offer a similar service in the United States and to gulp the entire medical problem of the nation in a single swallow.
>
> Should the United States accept the prescription by President Truman and his consultant, Mr. Ewing, it would likely discover that the prescription had little of curative value and a great deal of the ultimate effect of ipecac or apomorphine (these, Mr. Ewing, are classified by books on drugs as emetics).

Obviously, it is still too early to speculate on the long-term success of the British national health program. Still, Editor Fishbein is right in his statement that it is folly to embark on a national health program "without hospitals, doctors, nurses, drugs, or money to supply what they promised."

We can apply this statement to our own medical situation. Some of our major difficulties are due to shortages of hospital beds, doctors, and registered nurses.

The hospital situation is a case in point. Before the war (1939), the beds in general and other hospitals of similar type, excluding tuberculosis and mental hospitals, were available at the average rate of 3.83 per 1,000 population. The report of the American Medical Association for 1941 gave the average rate of general hospital beds (excluding the "allied" hospitals enumerated by the United States Bureau of the Census) as 4.1 per 1,000 population.

It has been estimated (see *The Need for a National Health Program*) that for minimum essentials 4.6 general hospital beds per 1,000 population are necessary, with at least 2 beds per 1,000 in rural areas. There is an amazing disparity among the states, with the state bed rate ranging (1939) from 1.57 to 7.13 per 1,000 population. Thus the national figure is misleading; facts indicate that "the country as a whole is undersupplied with beds in general hospitals."

In the country as a whole there is still a serious shortage of physicians, and rural areas particularly are suffering the effects of this deficiency. No part of the country, rural or urban, has been spared the effects of the shortage of nurses, still acute today, and probably due to remain so until nursing becomes a more attractive and better paid profession.

No amount of compulsory health insurance can create doctors and nurses out of whole cloth, or manufacture hospitals tomorrow where there are none today.

The A.M.A. 12-point program calls for the expansion of medical and nursing schools and rural health centers, a slow-but-sure way to alleviate major shortages threatening the national health.

The Ewing plan for compulsory insurance will only put an immediate and unbearable pressure on inadequate facilities now available.

The A.M.A. program calls for a national

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science foundation for research, to continue the amazing progress this country has made in improvement of the national health.

The Ewing program, providing fee payment for doctors from the insurance fund, will enable many mediocre doctors to stay in practice, because people will not be too choosy when they do not foot the bill. The present free, competitive system provides an incentive for every patient to get the most for his money, and for every doctor to improve his skill as much as possible. Naturally, under compulsory insurance, *quantity* of medical care will increase, despite current shortages.

At the present time, people are dissuaded to some extent from seeking medical aid for distinctly minor complaints because of the fee involved. If the same people are *paying* for medical service to the tune of three per cent of their annual incomes, they will (and should) demand medical treatment for everything from the sniffles to a mild sunburn. The resulting overwork will seriously handicap the medical profession.

QUALITY

Quality of medical care can hardly help deteriorating under such pressure. The doctors in Britain who write out their reports hours before they see the patients illustrate this point clearly. Doctors will hesitate to train intensively for the specialties, knowing that steady, and numerous, government fees await them as soon as they hang out the shingle. Research will almost certainly be neglected.

The A.M.A. program, by encouraging scientific research, will point a surer, though slower road to the improvement of the national health.

The A.M.A.'s encouragement of voluntary hospitalization and medical plans points the way to progress along lines now familiar to most of us and already marked with much success.

What are the principles behind voluntary insurance? First of all:

> The unpredictability of the individual case of illness, its nature, occurrence, severity, and duration, and, following from this, the unpredictability of the type, amount, period, and cost of the services that may be needed make it impossible for an individual to budget his medical care costs and the loss of earnings incident to disabling illness. (*Voluntary Medical Care Insurance*, by Franz Goldman).

To share the risks of illness and to spread the costs, group medical plans have been worked out. Medical care insurance is "organized self-help to remove, or reduce, the financial burden which may arise from sickness, injury, or maternity. People can budget and pay for the cost of medical care when they are healthy and earning."

Voluntary hospitalization plans, of course, must be limited sufficiently to make them economically feasible. *Group* membership is almost always required, and the self-employed man may have difficulty joining such a plan. With the present high cost of hospitalization, few plans pay all the hospital costs of major illnesses, and even maternity care is only partially covered. Certain types of diseases and illnesses are frequently excluded from coverage (i.e., in many plans, mental deviations).

BLUE CROSS

> The benefits of a non-profit hospital service plan are assured by the member hospitals through definite contractual agreements which are equitable and consistent with respect to the rights and obligations of the subscribers, the plan and the hospitals.

(description of Blue Cross plan by the American Hospital Association). As of January 1, 1947, there were 27 Blue Cross plans operating on a state wide basis, and one plan each in the District of Columbia and in Puerto Rico. On January 1, 1947, about 19 per cent of the total population of the United States was enrolled in Blue Cross plans: in Rhode Island, 66.3 per cent; in Massachusetts, 47.8 per cent; in Delaware, 47.2 per cent; in New York, 22.7 per cent. The Cleveland Hospital Service had enrolled almost 70 per cent of all the people living in the counties covered.

Up to 1941, middle and upper income groups provided most of the subscribers to the Blue Cross. Ward service contracts, and an increase in the number of firms offering coverage at their expense, has occasioned an increase in the number of subscribers from the lower income groups.

Unfortunately, people in rural areas are infrequently reached by the Blue Cross. by the middle of 1946, only 2.65 per cent of the rural population had been enrolled as com-

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pared to 27 per cent of the urban population.

Hospitals as well as patients benefit by the Blue Cross plans, because of the guaranteed payment of an appreciable part of the patient's bill.

Blue Shield Plans are not as widespread or as well-organized as Blue Cross Plans. They provide pre-paid voluntary insurances for medical (usually surgical) care, and usually for major illness. By far the greatest number of members are highly paid industrial workers and salaried employees in cities. "Full coverage contracts," such as originally provided in California, had to be dropped because of the enormous demand for service and its high cost.

At the present time, administrative costs of Blue Shield are ridiculously high—usually exceeding 10 per cent and often 15 per cent of the total premium income. But the weaknesses of the plans do not preclude improvement.

At the present time in the United States, the strengthening of voluntary medical insurance, both hospital and surgical (also general physicians) offers the greatest hope for improving the national health of the country. Today, the "medically indigent" are in general well-cared for in clinics at public expense and, it should not be forgotten, at the expense of many physicians who freely give time and service to the care of the poor.

The self-supporting who are able to pay something for medical care should be encouraged to join insurance groups and these groups should be subsidized if necessary so they can achieve wider coverage. If our citizens can afford three per cent of their annual incomes for compulsory insurance, they can afford to pay what are usually lower rates for voluntary insurance.

What are the basic objections to the Ewing Plan? Consider the current overhead on a small plan such as the Blue Shield. The cost of inefficient, wasteful overhead of federal operation of a compulsory national insurance plan staggers the imagination. Federal and state aid will be welcome for improvement of medical facilities; state money will be necessary for implementing the A.M.A. plan. But the government plan would run up at least 12,000 to 15,000 new federal employees and 45,000 to 50,000 new state employees. *These figures are offered by supporters of the plan.* They are sure to be low.

The Hoover Commission has already discovered glaring inefficiencies in as well run a federal agency as the Social Security Board. The United States, it found, already assumes medical care for about one-sixth of the total population. Tens of millions of dollars are being spent for hospital facilities apparently not needed. Veterans Administration beds for 100,000 have been built or authorized for men whose disabilities have no connection with military service.

The investigators found a workload of one employee per 450 veterans' insurance policies (as against one worker for 1762 policies in private companies). Imagine the inefficient working of a comprehensive national health program!

Second, critics doubt that the proposed fund of five to six billion dollars annually will even approach adequacy and they anticipate large drafts on general treasury funds. Dr. Paul R. Hawley, present Commissioner of the Blue Cross—Blue Shield plans, estimates that it would cost about $100 per year per person for complete medical service, or $15 billion per year. During depressions, when the government would have to pay for all the unemployed, serious trouble would result.

Third, the three per cent tax, whether borne half by employers or all by employees, repesents a large load for the average wage earner. Deductions from the nation's total paycheck are already large. Social Security deductions may rise from two to four or six per cent. Unemployment compensation takes off another two per cent. With the health insurance contribution reaching a probable four per cent, the tax bill (*not including the income tax*) may rise as high as 12 per cent!

Fourth, the Ewing plan will encourage poor quality medical care and will swamp existing facilities.

Fifth, compulsory health insurance is one step in the direction of complete state socialized medicine. Although doctors will be free to stay outside the plan, few people will pay for their services. With the government administering the funds, government control is sure to follow. This, points out the A.M.A., has been the history of federal aid in this

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country. And once doctors and nurses become civil service employees, bureaucracy will rule the life-and-death affairs of the people.

Gone will be the valuable family physician, the personal relationship, the right of every patient to choose his own doctor. Incentive to high quality care and continuing research will be smothered in red-tape.

The complete Truman program on compulsory health insurance and socialized medicine has not yet been published. But the practical doctors of the A.M.A. know now that the United States faces many, varied problems in raising health standards. These problems must be solved slowly, and singly, if they are to be solved at all. Continual effort along all the lines suggested by the A.M.A. will, within a ten year period, yield a far greater harvest of good health and medical progress, than will the compulsory insurance program.

And private medical practice and private research will not go by the board. Nor will we and our children and our children's children face an enormous increase in debt and taxes.

[*Continued from page 293*]

surance sounded "too much like socialism;" involved too much centralization, and too much interference with doctors by laymen.

And this is the self-same group whose hypocritical 12-point program we are asked to consider instead of the progressive and forward-looking Ewing plan!

Before considering the proposals themselves, let us glance at some figures which clarify the state of our national health today. Although our living standard is the highest in the world, the United States ranks only tenth in the world for national health. Out of 400,000 deaths every year, it is estimated that 325,000 could be avoided by earlier diagnosis and proper care. More than 4,300,000 man-hours of work are lost every year because of sickness, at an approximate loss of $27,000,000 to the national income. More than 25,000,000 Americans suffer chronic diseases which call for prolonged and often costly treatment.

Yet only 20 per cent of the population—one in five persons—can afford all necessary medical care. One-half of the families in the country, with incomes of $3,000 or less, "find it hard, if not impossible, to pay for even routine medical care."

Those in the $3,000 to $5,000 income group "would have to make great sacrifices or go into debt to meet the costs of severe or chronic illness."

As Mr. Ewing pointed out in his report: "By and large, only the well-to-do, and, to a certain extent, charity patients, get satisfactory medical care. The in-between groups—other than the fairly small portion who are covered by voluntary insurance plans—are the ones desperately in need of better care."

Now assume, for the purposes of discussion, that the A.M.A. plan for improving the national health is sincere; that the A.M.A. is honestly anxious to strengthen voluntary insurance plans throughout the United States. *No strengthening of the voluntary plans can insure adequate medical care for most of the United States population.* Blue Cross, Blue Shield, and other voluntary plans are fine as far as they go, but by their very nature they are limited in operation. After a detailed study of *Voluntary Medical Care Insurance in the United States,* Franz Goldman concludes:

> Voluntary medical care insurance can serve selected economic groups only. It can provide for limited services at reasonable cost but not for complete medical care if the plan is operated on the basis of the individual practice of medicine and the fee-for-service method of payment.

Both psychological and economic factors are responsible for the limitations mentioned. Those people who because of youth and good health are the "best bets" for voluntary insurance are the ones least likely to join voluntarily. They are also most likely to discontinue membership after a short time because they can see no value to themselves.

On the other hand, persons in ill-health or those who anticipate future medical services (i.e. operations or childbirth) are most interested in medical insurance and most likely to remain members in good standing. "In short, the more favorable risks are slow to come in and quick to drop out and the poorer risks are most anxious to join and stay."

These psychological factors make it ex-

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tremely difficult to conduct a self-supporting plan without severe limitations on the membership and on the services to be rendered.

Other financial difficulties arise because the plans must offer rates low enough to be attractive, and still high enough to keep the organization solvent. Low pre-payment rates within the reach of modest income families finance only limited services. Higher pre-payment rates shut out those most interested in voluntary insurance.

For these reasons, Mr. Ewing rightly maintains that "the people who need health insurance most will not be able to get it under voluntary plans."

People and agencies sincerely interested in the voluntary plans believe that they will have to be partially supported by federal and state aid (anathema to the A.M.A.). Mr. Goldman has concluded that voluntary insurance must be coupled with group medical practice to make it more effective. But the A.M.A. does not approve of group practice either.

In short, the simple extension and development of the present Blue Cross-Blue Shield Plans, on a strictly state basis (instead of national) without government aid or supervision, will not provide an adequate substitute for the Ewing Plan.

The 186-page Ewing report stems from a comprehensive study made at President Truman's request. On January 30 of last year, the President asked Federal Security Administrator Oscar Ewing to make a study of "the possibilities for raising health levels" and to report "feasible goals which might be realized by the American people in the next decade."

Ewing called a National Health Assembly in Washington, composed of 800 representatives of medical, public health, labor, and educational organizations.

The report released by Ewing in September, 1948, called for a ten-year national health program. Basic to the proposals is the belief that as long as medical service is geared to purchasing power, there will never be enough doctors or hospital beds for a high standard of medical care for everyone in the United States.

The Ewing plan calls for Federal subsidies for hospitals, medical schools, and health services, increasing to the sum of $2,312,000,000 per year by 1960 (this is double the present outlay).

In support of the compulsory insurance system, Ewing says:

> At present, by far the largest share of all medical costs is borne by the sick. This is the same situation as if only those people who had fires in their homes and business places contributed to the upkeep of the local fire department.

To spread the cost of medical care, Ewing proposes a three per cent tax on individual earnings up to $4,800 yearly. The insured would have all their hospital and doctor bills paid out of the insurance fund.

Under the Ewing Plan, doctors would continue in private practice and the fee basis of charging would continue, with fees collected from the insurance funds.

SENATE PROPOSAL

Senate Bill Number 5, a measure "to provide a national health insurance and public health program" varies slightly in some respects from the original Ewing proposals. Complete medical, surgical and hospital care would be provided for all wage earners and their families. Service by general practitioners and specialists, dentists, home nursing, and hospital care up to 60 days a year (and longer, if funds permit) would be provided.

For those who need them, eye-glasses, drugs, radium and X-Ray treatments, and diagnostic services would be available.

No doctor would be forced to join the plan, but the patients would exercise free choice among the physician-members. Hospital and doctor fees would be set by local administrative boards, and the state would reserve the right to set the number of patients a doctor could serve. Doctors could not be shifted from area to area against their wills.

The American Medical Association, of course, is up in arms against "state medicine" whenever and however proposed. What are some of its arguments?

First, we are "essentially a healthful people;" our low and lessening death rates make state care unnecessary. This argument is specious. Because of improvements in science and medicine, our death rate has indeed dropped, but our need for medical care has risen at the same time. Because we live longer, we are more likely to contract chronic diseases; at

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the present time about two-thirds of all deaths occur among those over 49 years of age. Medical advances have minimized deaths in childhood and youth from acute, often fatal but relatively short-termed and inexpensive, diseases. Chronic sickness, which now accounts for more deaths than ever before, is far more expensive and of longer duration than the acute diseases of youth. The medical bill for persons over 65 years of age is on the average double the annual medical expenditure for children and young persons. Improvements in surgery, in anesthesia, and in general medical technique have lowered the death rate but added to the expense of medical care.

Second, the A.M.A. argues, state medicine will inevitably limit the American's choice of a doctor, one of his basic rights. Naturally, under the plans now being considered, if many doctors choose to remain outside the plans, the insured person will not have as great a choice as he might otherwise enjoy. This situation prevailed during the war under the so-called E.M.I.C. plan for Emergency Maternity and Infant Care for wives of servicemen. Many competent physicians flatly refused to join the plan, and in some localities forced servicemen's wives to accept second-rate care from the few doctors willing to join E.M.I.C.

The tradition of the family doctor, sentimentally kept alive by the A.M.A., is no longer true to life for many of us. In truth, there are not many good general practitioners left in practice, and those still holding a "family practice" are usually middle-aged or elderly men. Young doctors are increasingly attracted to the specialties with their easier hours (usually) and higher fees. Not the government and not the general public but the physicians themselves are destroying the "family doctor."

And with the passing of the family doctor, goes another tradition of the old-style medical school—the "personal" relationship between doctor and patient. Busy pediatricians cannot even remember the names of their small patients from beginning to end of a short examination, much less recognize them on the street! High-priced obstetricians "misname" their patients even in the delivery room. Specialization has led to a cold and impersonal relationship between the doctor and the patient's "nose," "eye" or "heart." Today, many, if not most, Americans will settle for almost any doctor (under federal insurance) so long as he is competent to diagnose their ailments.

Their choice of doctors, further, has long been limited by what they could afford to pay; and few in the lower-income (and even the middle income groups) have been able to afford to make a "free" choice among available doctors. When the best opthamologist in town charges $25 for an examination, he is not even considered by the enormous group making not much over that every week.

True enough, many doctors have graduated their fees, according to "what the traffic will bear" but such a system hardly makes for a fine personal relationship between patient and doctor. Rather than expose himself to a searching inquiry into his means (and even the means of his relatives and friends), the average lower-income worker finds a less expensive doctor. This may not detract from his health one iota; but it certainly limits his choice, and sometimes limits it disastrously.

So Mr. Average American may well be persuaded to part with the family doctor, the personal relationship, the free choice which has never meant much to him, in exchange for pre-paid, high quality medical care for all his family and for almost all his medical needs.

The A.M.A. in reality offers no substitute. Its plan calls for some federal aid, but so does the far-more comprehensive Ewing plan. The A.M.A. calls for the expansion of medical and nursing schools—but so does the Ewing plan, and on a more logical and unified basis.

The A.M.A. calls piteously for the development and expansion of voluntary plans—those plans it has done so much to kill. But it calls too late; it has done too little to help.

Even if the A.M.A. had supported and were ready to continue to support voluntary medical insurance to the best of its ability—such voluntary insurance perforce would be inadequate to raise the health level of *all* our citizens.

That compulsory insurance has disadvantages is obvious. That state medicine will threaten private initiative is equally clear. But the A.M.A. plan, sired by expediency and born under protest, is a weak and inadequate propaganda substitute.

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CONGRESS DEBATES:

E. C. A. Amendments

WHEN the European Recovery Program completed its first year on April 2, Congress had not yet provided it with appropriations for the next 15 months. The Senate was still in the midst of heated debate over the Program. Although there was no doubt that aid to Europe would be continued, the slow progress of the bill in the Senate was disheartening to the administrators of the Program. Senator Taft and his supporters presented the greatest danger to the bill when they asked for a ten per cent cut in the appropriations. President Truman had asked for $5,580,000,000 for the 15-month period. Senator Taft, having in mind glowing reports of the progress already made in Europe, called this "obviously padded." The Administration leaders fought down repeated attempts to cut down estimates they considered the bare minimum. The "economy-minded" forces were finally defeated.

The Senate then went on to the consideration of amendments to E.C.A. itself. A thorough review of the Program in the last year was made and many revisions were suggested. There was little real opposition to E.R.P. itself. Many of the amendments put before the Senate reflected the power of pressure groups and regional interests—advertisers, farmers, insurance firms, the small businessman, and the Mid-Western isolationists. Socialism in Europe was feared by some Senators.

The proposed amendments ranged from a demand for a political union of the European countries and denial of aid to countries defying United Nations' mandates to the labelling of all commodities sent under the E.C.A. The Senate passed the bill with full appropriations on April 8, and sent it to the House.

FORUM presents below excerpts from the Senate debates on some typical amendments to E.C.A. and also a complete list of all Senate amendments to the bill.[1]

* * * *

The VICE PRESIDENT. The pending amendment is that offered by the Senator from Missouri [Mr. Kem], as modified. The question is on the amendment.

Mr. CONNALLY, Democrat, Texas. Mr. President, I desire to speak for only a minute. I very much hope the Senate will vote down the amendment. Mr. Hoffman consulted me this morning, and he was in great distress over the amendment. He said it would be impossible for him to administer assistance if he is obliged to determine whether or not such assistance would indirectly enable participating countries "to acquire and operate in whole or in part any basic industry as a nationalized industry." Under the general terms of the bill he has complete authority to discontinue assistance in any country where he finds that it is not to the interest of the United States. When he supplies funds, it is extremely difficult to trace them and determine the indirect effects upon some of the plans of the recipient countries.

Very briefly, Mr. Hoffman says that although this amendment is directed toward nationalization in Europe, it would in fact undermine the entire recovery program, and that it would be a propaganda weapon

[1] Congressional Record, *The Senate*, Vol. 95, No. 60, pp. 4207-4219, 4222-4231.

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given the Communists to claim that the Marshall Plan is a device to control Europe.

Mr. President, I ask for a vote.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. Kem], as modified.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered.

. . . . . .

SOCIALISM

Mr. KEM, Democrat, Missouri. Mr. President, the press of England, with the characteristic British sense of fair play, has apparently given both sides of this debate. They have apparently proceeded on the theory that not only are the British people interested in what is said in favor of the pending measure, but that they have a legitimate and proper interest in what is said against it.

This morning I received in the mail a very interesting letter from Mrs. E. C. Clifford, of Halsdon Close, Exmouth, Devon, dated April 4, 1949. She says:

> I read with great interest enclosed cutting.

I now read the clipping enclosed in her letter, taken from an unidentified newspaper:

> Up sprang another Republican, Senator JAMES KEM, of Missouri, to complain that aid dollars are being used as slush fund to build up Britain's socialized industries and to popularize her government for next year's general election.

I resume the reading of Mrs. Clifford's letter:

> How right you are. It's tragic that more of your Senators and people of the United States are not aware of the position in Britain—the Socialist government is squandering the Marshall aid for their own ends—private enterprise killed—people frustrated and half starved. It's beyond my comprehension that Washington does not see what's going on—they seem blinded by false figures and soft talk of our Socialist leaders. Russia has had thousands of guns, hundreds of planes, etc., etc., sold to her by Britain—why? We shouldn't have needed the Marshall aid had the first loan been spent on production and giving the people freedom—today workers won't pull their weight for the reason of overtaxation—and no incentive. Luxury buildings going up all over the country as offices for Laborites, whilst thousands have no homes—and so it goes on—and Marshall aid is going to eventually ruin our country—helping on Socialist and dictator rule.

The statement of this lady in Devon is reminiscent of the statement of Mr. Winston Churchill, which was quoted here yesterday, that socialism is the hand-maiden and the herald of communism.

Mr. President, I am perfectly willing that Members of the Senate vote on the pending amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. Kem], as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 20, nays 62.

So Mr. Kem's amendment, as modified, was rejected.

Mr. BREWSTER, Republican, Maine. Mr. President, I call up my amendment B, which I have previously presented. It deals with advertising expenditures.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill, it is proposed to insert the following:

> No funds authorized for the purposes of this act shall be allocated to or expended for any foreign government for the purpose of expenditures for the advertising of foreign products in this country nor for advertising foreign travel in this country.

Mr. CONNALLY. Mr. President, will the Senator from Maine be satisfied if I tell him that I will take his amendment to conference?

Mr. BREWSTER. I will be.

Mr. CONNALLY. I will do that.

Mr. BREWSTER. Is that on condition that I do not say anything about it?

Mr. CONNALLY. I am not insisting on that, but I would not complain if the Senator did not.

Mr. BREWSTER. Suppose I agree not to speak over 5 minutes.

Mr. CONNALLY. Of course, I may not give the amendment 5 minutes' attention in the conference. [Laughter.]

Mr. BREWSTER. Of course, I hope there may not be a problem about it in the

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conference, as a result of what I hope will be favorable action in the House of Representatives. However, aside from that, I very much appreciate the courtesy and consideration of the chairman of the Foreign Relations Committee in agreeing to take the amendment to conference. I should like to explain, as I have said, in less than 5 minutes what the amendment is all about.

The amendment simply deals with the expenditure of E.C.A. funds for advertising in the United States of foreign products and foreign travel.

During the past year, this subject has been covered by what I would term a gentlemen's agreement that such advertising would not be done, and that agreement has been rigorously enforced. However, there is contemplation of a change, and that has given me great concern, as I am sure it has also given concern to the representatives of other areas of the United States which depend to a great extent upon recreation and tourist travel, whether in California, Florida, Texas, the State of Maine, or in New England generally.

My own State derives about $100,000,000 a year from tourist travel, and it is one of the principal factors in our economy. New England as a whole receives about $500,000,000 from the same source, and it is of great significance. Logically there is no reason, if tourist travel is one of the most effective means of restoring the balance of trade with Europe, why this should not be done; and the logic of it I think has led to its consideration; but when it comes to the use of E.C.A. dollars in this way in direct competition with our own agencies in this country, both public and private, that are seekng to stimulate travel in our national parks and other places, it seems to be the consensus of many that it would be wiser to put a limitation of this character on advertisements concerning foreign travel. The advertising of foreign travel would logically be followed by the advertising of foreign products. I am sure that all the industries in this country that are seeking the consumer's dollar would have a just cause for complaint if E.C.A. dollars were used directly in advertising the distribution of foreign products in this country, however much it might contribute to the rehabilitation of exchange. That is all I have to say.

Mr. TOBEY, Republican, New Hampshire. Mr. President, will the Senator yield for a question?

Mr. BREWSTER. I am glad to yield.

Mr. TOBEY. It is merely a question I have as to the practicality of this action. Let us assume that England, or any other country, is receiving financial benefits from this country, and she has a certain amount of funds in her own budget to be used. The funds we give her might well release her own funds to use for this purpose, so that the net result would be nil, would it not, so far as the effect of the amendment is concerned?

Mr. BREWSTER. That is quite correct; that they could use any of what we call their free dollars.

Mr. TOBEY. Yes.

Mr. BREWSTER. But they have a good many uses for those free dollars.

Mr. TOBEY. There is no doubt of that.

Mr. BREWSTER. Mr. Hoffman is holding the matter down, and I think England will be far less liberal with her free dollars than with E.C.A. dollars, so that I think this amendment will have a salutary effect. But, above all, it will have the effect that at least our great recreational areas will not feel that their own tax dollars are being used directly to stimulate travel in foreign countries.

Mr. TOBEY. But the Senator will agree with me, will he not, that there is a variable there?

Mr. BREWSTER. Yes.

Mr. CONNALLY. Mr. President, I accept the amendment, to go to conference. I make no hard and fast promise, but the committee is quite sympathetic with the Senator's view. I think he can safely trust to our good offices.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Maine [Mr. Brewster].

The amendment was agreed to.

Mr. BRIDGES, Republican, New Hampshire. Mr. President, I send to the desk an amendment, which I ask to have read and immediately considered.

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The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, between lines 19 and 20, it is proposed to insert the following:

> (d) Section 115 (d) of such act is amended to read as follows:
>
> (d) The Administrator shall encourage each participating country to insure, by an effective follow-up system, that efficient use is made of the commodities, facilities, and services furnished under this title. In order further to insure that each participating country makes efficient use of such commodities, facilities, and services, and of its own resources, the Administrator shall encourage the joint organization of the participating countries referred to in subsection (b) of this section to observe and review the operation of such follow-up systems.

Mr. CONNALLY. Mr. President, will the Senator yied?

Mr. BRIDGES. I yield.

Mr. CONNALLY. The Senator from Texas, as chairman of the committee, is willing to accept the amendment under the same conditions he proposed with respect to the amendment of the Senator from Maine [Mr. Brewster], to take it to conference.

Mr. BRIDGES. I am very happy that the Senator will accept it, but I do not want to make a bargain here that may permit it to be thrown out.

Mr. CONNALLY. No; I am acting in good faith. I will take it to conference and give it a chance. There is a good deal of sympathy in the committee for the Senator's view. So I accept the amendment.

Mr. BRIDGES. Very well.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

. . . . . .

Mr. KEM. Mr. President, I offer the amendment, which I send to the desk and ask to have stated, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Missouri.

The CHIEF CLERK. On page 4, between lines 19 and 20, it is proposed to insert the following:

> (c) Section 111 of such act is further amended by adding at the end thereof a new subsection as follows:
>
> (d) No assistance shall be furnished under this act to any participating country until such country has eliminated any currency controls imposed by it that prevent its currency from reflecting its actual purchasing power in terms of the United States dollar on the free monetary market of the world.

Mr. KEM. Mr. President I think there is a proposition on which we can generally agree:

> All of the dollars in the world cannot of themselves cure the economic ills of the 16 Marshall-Plan countries. Until European countries permit their currencies to seek their true value, as expressed in terms of goods and services, the demand for our sound dollars will remain unabated.

This was said in the debate of the E.R.P. measure when it was pending in the Senate about a year ago.

CURRENCY CONTROLS

It is a truism that the most important basic difficulty confronting western Europe was then, and still is, the refusal of the countries now participating in the Marshall plan to permit their currencies to seek their true value with respect to the American dollar and other currencies in the free monetary markets of the world. Last year the Congress, at the time it approved the Economic Cooperation Act of 1948, made known its belief that the participating countries should put their financial houses in order. Section 102, subsection (b), of the act stresses that the participating countries should make individual and concerted efforts to become independent of extraordinary outside economic assistance within the period of the operations under the law by "furthering the restoration or maintenance of the soundness of European currencies, budgets, and finances."

Section 115 (b) of the same law provides:

> In addition to continued mutual cooperation of the participating countries in such a program, each such country shall conclude an agreement with the United States in order for such country to be eligible to receive assistance under this title. Such agreement shall provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for—

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(2) taking financial and monetary measures necessary to stabilize its currency, establish or maintain a valid rate of exchange.

Mr. President, in spite of these two seemingly mandatory provisions of the law, the countries of western Europe have not yet permitted their currencies to seek their true value in the world market. E.C.A. officials have made it clear that this problem is one of the most serious and important with which they have to contend.

What is more important, they have made it clear that the deadline for action is near at hand. Richard M. Bissell, Jr., Assistant Deputy Administrator of E.C.A., testified before the Senate Committee on Foreign Relations on February 14 last. Mr. Bissell stated, with reference to the necessity of stabilizing the currencies of the participating countries:

> I think we should set that as our goal to have by the end of fiscal 1950 at the very latest, because after currency stabilization has been achieved, and quite probably some changes in exchange rates have been carried through, after those things have been done there is still a job of promoting expanding European exports that have to be done before these countries can financially stand on their own feet. I think, unless we achieve these financial objectives in the next year, we will achieve them too late to come out at the end of the E.R.P. period with a self-supporting western Europe.

So, Mr. President, the officials charged with the duty and responsibility of implementing and carrying out the E.R.P. program have put the Congress on notice that unless something is done about the problem of stabilizing the currencies of western Europe, and done now; we cannot reasonably expect that the E.R.P. program will be accomplished within the four-year period which we have set for ourselves.

. . . . . .

We have the Joint Congressional Committee on Foreign Economic Cooperation, the so-called "watch-dog committee," which is watching the operations of E.C.A. for us. This committee has investigated this matter, and has given the Senate the benefit of its conclusions. I quote from the report submitted in the joint committee on January 27, 1949:

> The following conditions prevail in most of the countries which participate in United States aid: There is a tendency to prefer commodities to money, which results in withholding materials from production. There is a tendency for production to go into domestic consumption rather than into exports. Foreign trade is conducted on a bilateral barter basis. Each of these trends is contrary to the objectives of European recovery. All of these conditions can be attributed primarily to lack of confidence in the national currency. Manufacturer and consumer alike are afraid to hold money so they convert money into goods as quickly as possible and hold the goods against the uncertainties of the future. The exporting firm, even when selling for currency better than its own, must surrender its foreign exchange to the exchange control agency of the government in return for local currency which it does not want. Domestic trade has the same result but with additional benefits of internal barter for supplies and more rapid turn-over. Nations insist that trade must balance out in goods since money is unacceptable as a settlement.
>
> The establishment of sound currencies in Europe would eliminate these retarding influences.
>
> The E.C.A. has made what might be described as a commodity approach as distinguished from a monetary approach to the problem of European recovery; that is, it has given primary emphasis to supplying the means of production to Europe, relying on the use of the counterpart funds and moral suasion to bring about currency reform.
>
> As long as each participating country relies on a currency that is not desired by its own people and by other nations, there will be a continuous drag on the recovery program. E.C.A. in considering the 1949-50 assistance program of participating nations should require that each program lay a foundation for a sound currency.

We are told that in addition to general recovery or reconstruction the E.R.P. has other objectives. To date much of the money sent to Europe has been used for W.P.A. or relief purposes. More money is needed for relief when the currencies are controlled than would otherwise be required.

I believe the senior Senator from New Jersey [Mr. Smith] in speaking on the bill early in the debate estimated that to date 80 per cent of the money sent to Europe had been used for relief purposes as against 20 per cent for recovery purposes. I should say as a matter of fairness the Senator added that he thought that percentage was clearly not true as of the current operation. Of course it is perfectly apparent that more money is needed for re-

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lief when the currencies are controlled than would otherwise be required.

Finally, we are told that the final objective is the reintegration of the European economies into the world economy. Here again currency controls are blocking the way. They tend to make each national economy self-sufficient, and to prevent the achievement of an internationally valid price level.

So, Mr. President, if we do not do something about this it will not be because we have not had ample notice. We have been told by officials of the E.C.A. that the matter is pressing. We have been told by the Secretary of the Treasury that the matter is pressing. We have been told by our own watch-dog committee that it demands immediate action. So, in effect, they dump the problem on our lap, and it is squarely up to the Congress.

DOLLAR SHORTAGE

I want to say a few words about the so-called dollar shortage. We are frequently told that because of the dollar shortage, we cannot do anything about this pressing problem. Well, Mr. President, I have experienced a dollar shortage all my life, and I have observed many individuals who have experienced the same shortage. I have noticed that the dollar shortage occurs particularly under certain conditions, and that is when a person is living beyond his means, when he undertakes to buy more than he can pay for, and on the first of the month or at every settlement period he experiences a dollar shortage. There is no reason for it to be assumed that men of the experience of the Members of the Senate do not know something about dollar shortages. I am free to say that the dollar shortage which occurs in the experience of a country in my opinion is for all practical purposes exactly the same as the dollar shortage which occurs in the usual and ordinary experience of most of us.

Mr. MALONE, Republican, Nevada. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nevada?

Mr. KEM. I yield:

Mr. MALONE. In the opinion of the distinguished Senator from Missouri, would the reason for the dollar shortage be in any way connected with promises candidates for office may make in the matter of socialization and nationalization of industry, or any other promises which obviously could not be fulfilled with the current production of the country concerned?

Mr. KEM. I think that has a great deal to do with it. I believe, for instance, the people of Great Britain for some years have been living beyond their means. They have been spending more than they have been taking in. Quite naturally, a deficit occured, and in order to make the request palatable to us they labeled their situation a dollar shortage and asked us to send them money to make up the difference.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. KEM. I am glad to yield.

Mr. MALONE. Some reference has been made to this subject heretofore, but I have in my hand a newspaper which carries the announcement of a British loan to Russia. It is the Evening Star, of Washington, D. C., of March 31, 1949. It comes at a very opportune time, following the disclosure of 88 trade treaties, made by the nations of Europe, the 16 Marshall Plan or E.C.A. nations, 40 of which treaties were held as restricted and not allowed to be made public by a United States Senator, and 3 of which were held to be highly confidential, and were watched very carefully while they were in my office. I was allowed to keep 45 of those treaties, and I offered them for printing in the CONGRESSIONAL RECORD. However, many of them were in foreign languages, not understandable to me certainly, and, of course, I suppose had never been translated by the State Department, because the Department made no offer to furnish translated copies.

I also noted and at that time offered for the RECORD, and they were printed, the two nonaggression treaties between France and

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Russia, and England and Russia, signed in the early 1940's, in 1941 or 1942.

Mr. President, I noticed in the newspaper and Associated Press dispatch, as follows:

> LONDON, March 31.—Britain disclosed today that it plans to loan Russia 9,000,000 pounds ($36,000,000) for purchase of non-military supplies from Britain in the next 12 months.

I read the last two paragraphs of the dispatch, as follows:

> Treasury officials of England said that the Russian loan was made under a 1941 credit agreement.
>
> The Russian figure was listed in the budget estimates under the general heading of "Supplies, food, and miscellaneous services."

That nonaggression pact provided that each country would help the other economically during the recovery period, and guaranteed that they would enter into no alliances which would in any way conflict with the agreement.

I ask the distinguished Senator from Missouri if in his opinion action such as this might affect the dollar shortage.

Mr. KEM. Mr. President, I do not think there can be any question about it. If England sends out of her substance to Russia she does not have it to pay the United States. If she sends $36,000,000 in loans to Russia, then she is $36,000,000 short when she settles her credit balance with the people of the United States.

Of course, I was interested, and I must confess, perturbed, when the Senator from Nevada disclosed the fact that Great Britain is under a treaty of alliance with Russia; that the Socialist-controlled government in England is in alliance with the Socialist-controlled government of the Union of Soviet Socialist Republics. I was further concerned when I saw that under the provisions of that treaty the British Treasury recently advanced the sum of $34,000,000 to Russia.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. KEM. I yield.

Mr. MALONE. The Senator is aware, of course, that the wording of two or three paragraphs in the nonagression pact with Russia is very similar to that in certain paragraphs of the North Atlantic Pact. Is the Senator aware that there is a considerable resemblance between the North Atlantic Pact recently signed by the United States and the nonagression pact which was signed between Great Britain and Russia?

Mr. KEM. I was not aware of that fact. I thank the Senator for his contribution.

It is argued that the European countries cannot pay with dollars for the items they would like to obtain from the United States, and so it is necessary for us either to give them dollars or to send dollars to them disguised as loans. Actually the dollar shortage is a myth which has persisted despite the fact that it is contrary to basic economic principles, whether one approaches the problem from a practical standpoint, as I did a few moments ago, or from a theoretical standpoint. The alleged shortage of dollars results not from any production deficiencies, but rather from the insistence of foreign countries on maintaining an excessive valuation for their currencies by the totalitarian device of pegging the rate of exchange for their currency far above its actual value.

. . . . . .

Mr. McMAHON, Democrat, Connecticut. Mr. President, I shall take but a few moments to discuss the amendment. It was considered in the committee at great length. The objective sought by the amendment is something to be devoutly wished by everyone, namely, the complete freedom of the interchange of the currencies of the world. If the amendment, however, could be adopted safely at this time, we should have no need for the program as a whole. If the currencies of the countries of the world could be freely interchanged it would mean that their fiscal condition would be such that they would not need the bolstering they are getting from the dollars of the Marshall Plan.

All European countries today have controlled currencies. They have them because they must have them, not because they want them. They have them because they must see that proper use is made of the dollars earned by their exports. That they

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must do and that is what we want them to do, because it is to our interest as much as it is to theirs to see that the dollars they earn through their exports shall not be used by the nationals of France, Belgium, or of any other country, in order to buy, for example, Cadillacs instead of tractors. The situation is not such that the French government can permit its nationals to take their francs, come to America, and translate them into dollars with which to purchase, for example, homes in California, or as I stated a moment ago, for the purpose of buying Cadillacs. The government must for the time being, by reason of the internal situation, see to it that the dollars earned by exports of their nationals are used to purchase the things which, basically, they desperately need in order to put their economy in order.

A further, and I think overwhelming, objection to the adoption of the amendment lies in the fact that we were the originators of the International Monetary Fund and of the International Bank. The purpose of those institutions, more particularly the fund, is to bring about exactly what the Senator from Missouri wishes to bring about, namely, free interchange, as soon as possible. We have plighted our troth, we have made an agreement with the other nations who are members of the fund, that we will at the earliest possible moment bring about a revaluation of currency. At this time the question is being studied by officers of the International Bank. As the Senator from Missouri says, we put up in excess of $2,000,000,000 in order to make revaluation possible at the very earliest practicable moment.

I think, Mr. President, that that pretty well sums up the reasons why the committee was unanimously opposed to the plan which has been proposed by the Senator from Missouri.

I shall close by saying that if we were to adopt the amendment, there is no question in my mind that we might as well abandon the entire Marshall Plan.

. . . . . .

Mr. KEM. Mr. President, as I understand, two objections are made to this amendment. In the first place, it is said that we have had some unfortunate experience in trying to free the currencies of the countries of western Europe from currency controls. Reference is made to the British loan. Under the terms of the British loan we loaned the people of Great Britain the sum of $3,750,000,000, as I recall. The articles of agreement entered into with Great Britain at that time provided that one of the principal objectives should be to free the currencies in the so-called sterling area countries. Section 7 of the agreement provided as follows:

> 7. Sterling area exchange arrangements. * * * The sterling receipts from current transactions of all sterling area countries * * * will be freely available for current transactions in any currency area without discrimination; with the result that any discrimination arising from the so-called sterling area dollar pool will be entirely removed and that each member of the sterling area will have its current sterling and dollar receipts at its free disposition for current transactions anywhere.

BRITISH LOAN

As is well known, that did not work. Of course, hindsight is always better than foresight; but it is perfectly apparent now why it did not work. It did not work because the currencies of western Europe were part free and part controlled. Of course it was impossible for the plan to work when some countries were controlled and other countries were free. Our experience in the past, as indicated by the British loan transaction, shows us beyond any question that we cannot enter into arrangements with one or two or three European countries and undertake to cut their currencies free from currency controls and put them into a free market, while at the same time keeping the others under wraps.

The other argument, and the one which was advanced by the Senator from Connecticut [Mr. McMAHON] at the close of his remarks, as I understand, is this: He says that the United States is a member of the International Monetary Fund, and that that fund undertakes to peg the currencies of the western European countries. The Senator argues that so long as we are a member of the fund we cannot insist that the currencies be cut free. That seems to be a perfectly plausible argument; but I ask the Senator from Conn-

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ecticut, if we cannot expect the countries of western Europe to decontrol their currencies, why do we insist on their doing it under the terms of the E.C.A. Act? Why do we represent to the American public and to others that we are insisting that that be done? That is the first question which I wish to ask him.

The second question I wish to ask him is whether he is familiar with section 1 of article XV of the International Monetary fund agreement. That provision reads as follows:

> Right of members to withdraw. — Any member may withdraw from the fund at any time by transmitting a notice in writing to the fund at its principal office. Withdrawal shall become effective on the date such notice is received.

Mr. President, this fund is the child of Bretton Woods. The other day the Senator from Indiana [Mr. JENNER] was addressing himself to the subject of the amount of money we had spent on international relief, he was asked whether he had in mind the Bretton Woods Agreement. He replied that he had Bretton Woods in mind, but that he would like to forget it. So far as I am concerned, I should like to forget the International Monetary Fund. I should like to liquidate it, and to draw out our proportionate share of the assets of that fund. It is a pretty good rule, when one sees that one has made a bad deal, to liquidate it as soon as one conveniently can. I do not see any reason why we should not liquidate the International Monetary Fund so far as the United States is concerned. I do not see any reason why we should not say to the members and to the world, "We have tried that device. We have weighed it in the balance and have found it wanting, so we are going to try something else." And then in my judgment we should say to the participating countries under the Marshall Plan, "You must decontrol your currencies as a condition to further Marshall Plan aid."

. . . . . .

Mr. TAYLOR, Democrat, Idaho, Mr. President, I have not spoken on the pending subject. I wish to address myself to the bill, not to the pending amendment. Lest any of my colleagues become uneasy in the thought that I am embarking on a long speech, I want to make it clear that I intend to speak for only a few minutes. I simply want to state why I intend to vote against the pending measure.

I was elected to the United States Senate upon my promise to the voters of Idaho that I would support an organization to maintain peace in the world. As it turned out, that organization was the United Nations. I have determined, and up to this point I have carried through on the determination, to oppose everything that seems to me to have the effect of weakening the United Nations. I opposed the Truman doctrine as exemplified by our interference in Greece, because I felt the United Nations should have handled the matter. Up to that time the United Nations had done pretty well. Without firing a shot actually, or even verbally for that matter, the Iran incident was settled. Russian troops went home, simply because the matter was called to the attention of the United Nations. Because the United Nations enjoyed a certain degree of prestige, I believe a considerable prestige at the time, the Russians went home.

UNITED NATIONS

A little later there arose the matter of Syria and Lebanon, where the British and French who were in those protectorates had not gone home on schedule. Simply because the matter was brought to the attention of the United Nations, the British and French returned home, and the United Nations scored two other notable victories. I think the United Nations was well on its way at that time toward becoming the great organization to keep peace in the world which I believe it was envisaged to be by President Roosevelt.

Then came the Truman doctrine, with our interference in Greece. That has been very nearly a debacle, of course, and I think I am being fully justified in having voted against our interfering in Greece. I know from talking to high United Nations officials that they desperately wanted to handle the Greek situation, but the opportunity was denied them. I believe that was the beginning of the decline of the United Nations.

At the time the Marshall Plan was presented to the Senate, I voted against it, but not because I do not want to feed hungry people, not because I do not want to rehabilitate the economies of the nations that were devastated by the war. At the time, I offered an amendment to channel the aid through the United Nations.

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The amendment was rejected, and then, in keeping with my determination to support the United Nations and to oppose anything that I felt would weaken the United Nations, I voted against the Marshall Plan. I intend to vote against the present measure for the same reason.

I refuse to accept something which I feel is hurting the United Nations, even though it may accomplish some good. I admit good has been accomplished by the Marshall Plan. Hungry people have been fed. Economies have been rehabilitated. But I do not feel that the good which has been accomplished can anywhere near off-set the harm which has been done the United Nations and the cause of world peace by our taking the ball unilaterally, so to speak, and running with it. I believe that our whole foreign policy is ill-conceived and eventually will be proved to have been a very poor course of action for us to follow.

I believe we are becoming a militaristic Nation. I remember, when Mr. Hitler was coming into power in Germany, many Americans would become very indignant and berate the German people because they did not rise up in opposition to him. But frankly, Mr. President, I do not blame the German people any more. I can begin to understand the predicament they were in. We are moving along toward militarism in this country, and it is getting so it is almost a traitorous act to criticize any of the policies which are taking us down the road toward militarism. I believe we are getting a superman complex in this country. We can read in the newspapers very often lately about our soldiers becoming involved in very unsavory incidents in many countries of the world. I think it is simply because they are getting the idea that we are above and beyond, that we are a law unto ourselves.

I suppose I am the only Member of this body who will vote against the E.C.A. bill. I shall vote against it because I stand foursquare behind the United Nations, even though it has come to a sorry state, and largely, I believe, Mr. President, because we have by-passed it and undercut it and have not given it our full support. I am for the United Nations. I do not believe our foreign policy is calculated to help the United Nations.

Mr. RUSSELL, Democrat, Georgia. Mr. President, will the Senator yield?

Brooks in *The Birmingham News*
"TRAVELING IS BECOMING EASIER"

Mr. TAYLOR. I yield for a question.

Mr. RUSSELL. The Senator states that he thinks the policy of the United States has demoralized the United Nations. Would not the Senator be willing to admit that the abuse of the veto power by Russia has contributed more to the impotence of the United Nations than has any other single factor?

Mr. TAYLOR. No; I cannot agree with the Senator from Georgia on that. When we discussed the Marshall plan on the floor of the Senate—I believe I remember the occasion—I made a rather long speech in which I went over the vetoes, one by one, and told why they had occurred.

It seems to me most of the matters vetoed were deliberately put up to the Russians with the hope in mind of securing a veto so it could be used for propaganda purposes. As I pointed out at that time, I may say to the very able Senator from Georgia, we made the Russians veto the same identical issue three or four times when we knew there would be a veto by Russia. So it would seem to me we have tried to use that as a propaganda weapon against the Russians. I think they have used the veto needlessly at times, but I do not believe it has been so devastating to the United Nations as have our outside activities, such as taking over the situation in Greece, instead of turning it over to the United Nations, and handling the Marshall

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Plan unilaterally instead of putting it through the United Nations; also our military alliances, which can only appear to be aimed at the Russians and which cannot make for peace.

Mr. RUSSELL. Mr. President, will the Senator yield further?

Mr. TAYLOR. I am happy to yield to the Senator from Georgia.

Mr. RUSSELL. Does not the Senator know that when we had in operation U.N.R.R.A., to which all the nations, including Russia, were parties, though we were footing most of the bills, as has been the case in most of our international activities, it was on that policy that the breach first developed between the United States and Russia and the cold feelings between those two nations began?

Mr. TAYLOR. As I remember, Mr. President, we went into Greece on our own while U.N.R.R.A. was still in existence.

Mr. RUSSELL. That is correct.

Mr. TAYLOR. As I say, when we went into Greece two or three years ago I believe, I asked, How would we feel if the Russians came into Mexico or into Canada and started to do some of the things we have done in Greece and in Iran? I am rather gratified to see that Walter Lippmann recently has used the same comparison, asking how we would feel if Russians came into Mexico, only he was speaking about our moving into Norway, which is contiguous to Russia.

I am not saying that the Russians are blameless, but I believe we are equally to blame. I am terribly sorry that we did not stay within the United Nations. With the great prestige we had at the end of World War II, I believe we could have built up the United Nations, if we had put the money and the energy into building it up that we have applied to projects which by-passed and weakened the United Nations. We could have forced the Russians, then, to have agreed to a just program of disarmament, and we would not be faced with the situation in which we are going from bad to worse.

For the reasons stated, I shall vote against the pending bill.

The VICE-PRESIDENT, The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. KEM].

. . . . . .

Mr. McCARRAN, Democrat, Nevada. Mr. President, I send forward an amendment and ask to have it stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, line 15, it is proposed to insert the following:

> (c) That section 112 is hereby amended by adding at the end thereof the following new subsection:
>
> (j) The Administrator shall, in providing assistance in the procurement of commodities in the United States, make available United States dollars for marine insurance on such commodities where such insurance is placed on a competitive basis in accordance with normal trade practices prevailing prior to the outbreak of World War II. In the event any participating country directly or indirectly prevents United States companies from competing for marine insurance on commodities procured in the United States with funds from the Economic Cooperation Administration, the Administrator shall require that all marine insurance on such commodities procured with such funds and shipped to such countries shall be insured with companies authorized to do a marine insurance business in the United States.

INSURANCE

Mr. McCARRAN. Mr. President, the joint committee known as the Watchdog Committee held hearings growing out of a series of complaints from the marine insurance industry of America, that they, the marine insurance group, were being discriminated against by the attitude and rulings of the Administrator of E.C.A. The hearings developed that in the judgment of some members of the committee, at least, there was effective discrimination. The chairman of the watchdog committee requested that the E.C.A. authorities and the marine insurance industry get together for the purpose of working out a plan whereby the rulings of the Administrator might be modified. That was done, and I had hoped that the rulings of the Administrator would be so modified that there would be no complaint from the marine insurance industry. But, Mr. President, as the ruling now stands, the marine insurance industry of America is very definitely being discriminated against.

All the amendment would do would be to require that where there is competition, the marine insurance industry of America shall

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have a fair opportunity to compete as against other countries which also have marine insurance industries, and thus not destroy an industry in this country.

The reply made by Mr. Hoffman to some of these complaints was that E.C.A. was not set up for the purpose of building industry in America, but rather for the purpose of rehabilitating Europe.

As I see it, the answer to that is that E.C.A. was not set up to destroy American industry either. So if it cannot build up American industry, it can at least so modify its orders as not to destroy American industry.

Today the marine insurance industry of America is being put at a decided disadvantage as against marine insurance companies in France, England, and other countries abroad.

All the amendment would do—and it seems to me in fairness and in justice it should be adopted—is to see to it that the American marine insurance industry shall have a chance to bid for business in their line of industry.

Mr. President, on this amendment I ask for a yea-and-nay vote, unless the Senator from Texas will accept the amendment.

Mr. CONNALLY. Mr. President, the Senator from Texas is very much in sympathy with the amendment, but, on the other hand, the committee rejected it. The Senator from Nevada is no doubt familiar with the letter Mr. Hoffman wrote concerning the matter. If the Senator from Nevada could so amend his amendment as not to make it too compulsory, I should be very glad to take it to conference and see what can be worked out.

Mr. McCARRAN. I thought that if there was anything too compulsory in the amendment, it could be adjusted in conference. I had hoped that might be the decision of the able Senator from Texas, who is in charge of the bill.

Mr. CONNALLY. The reason I suggested that the Senator from Nevada amend or modify his amendment was so that there could be something before the conferees. If the House should pass the bill in its present form there would be nothing in conference.

Mr. McCARRAN. I understand the House has not acted on the bill in the form in which it is now; at least I am not so advised.

Mr. CONNALLY. The House will not take it up until the Senate passes it.

Mr. McCARRAN. That is what I thought.

The VICE PRESIDENT. The Chair suggests that this is a Senate bill; and unless the House should disagree to the provision, there would be no conference.

Mr. McCARRAN. Mr. President, unless the Senator from Texas can accept the amendment, I ask for the yeas and nays.

The result was announced—yeas 59, nays 22.

So Mr. McCARRAN's amendment was agreed to.

. . . . . .

Mr. FULBRIGHT, Democrat, Arkansas. Mr. President, I call up my amendment lettered "D," marked "3-25-49."

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, in line 6, after the word "the," it is proposed to insert "political."

Mr. FULBRIGHT. Mr. President, I do not intend to delay the Senate. From even a casual examination of the amendment, it is quite evident that it is very simple. It merely calls for the insertion of one word. I think it is really in the nature of a clarifying amendment, because it achieves what I am sure most, if not all, of the Members of the Senate desire this legislation to achieve. The amendment simply makes specific what is inherent, I think, in this whole legislation.

I have previously spoken on the amendment at length, and I do not intend to delay the Senate now.

In view of the mood the Senate has exhibited by just now accepting another beneficial amendment, I hope my amendment will be accepted.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CONNALLY. Mr. President, this amendment provides for the insertion of the word "political." We already have voted down a similar amendment on the question of having this legislation specify that there shall be economic union in Europe.

The committee considered this amendment very carefully, and was almost unanimously against either undertaking to coerce Europe

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or to pay Europe to achieve union. If Europe wishes to have union, let her have it; but we will not do anything to discourage her or to coerce her or induce her to do anything which she does not wish to do.

We think the amendment should be voted down, and we ask the Senate to vote it down.

The VICE PRESIDENT. The question is on agreeing to the amendment lettered "D," of the Senator from Arkansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The result was announced—yeas 15, nays 67.

So Mr. FULBRIGHT's amendment was rejected.

CORN

Mr. GILLETTE, Democrat, Iowa. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the amendment.

The CHIEF CLERK. On page 4, line 22, it is proposed to strike out the period and insert a semicolon and the following:

> And by adding at the end thereof the following new sentence: "The amounts of corn and corn grits, corn meal, and corn flour produced in the United States to be transferred by grant to the participating countries shall be so determined that the total quantity of United States corn used to produce the corn grits, corn meal, and corn flour procured in the United States for transfer by grant to such countries under this title shall not be less than 15 per cent of the aggregate of the of the unprocessed corn and corn in the form of corn grits, corn meal, and corn flour procured in the United States for transfer by grant to such countries under this title."

Mr. GILLETTE. Mr. President, during my absence, some of my colleagues were kind enough to put in the RECORD a statement with reference to the amendment, and I think Senators are familiar with it. It is a very simple proposal, and I am hopeful that the committee will accept it. It does not require the shipment of any additional product. It does not require the shipment of any particular amount of corn. It simply requires that of the amount of corn shipped abroad under the program not less than 15 per cent shall be in the form of processed, dry-milled corn. There are a dozen reasons why the amendment should be adopted; none that I know of, why it should not. May I have the attention of the chairman of the committee.

Mr. CONNALLY. The chairman of the committee is listening to the Senator, and has the Senator's statement in his hand.

Mr. GILLETTE. I hope the chairman will edify himself by reading the statement.

I am merely repeating what was in the statement, that some 35,000 people are now employed in the dry-milling of corn in this country, and there are 175 plants. The plants at the present time are operating at less than 50 per cent of capacity. In addition to furnishing additional employment by requiring that 15 per cent be milled, there is another very cogent reason in that our neighbors abroad do not have facilities for milling corn. Corn that has been sent to them is milled on wheat-milling machinery and is unpalatable. In addition to that, there is a loss of the residue, the stock feed, the oil. In addition to that, it saves about one-third of the shipping expense. It also saves the expense of handling. It may be shipped in cotton bags which are readily utilizable in Europe.

I may say, without taking any more of the Senate's time, I am unable to conceive of any reason why the amendment should not be adopted. I am still hopeful that, notwithstanding the attitude the committee has taken with reference to various amendments, the committee will either accept it or will agree to take it to conference.

Mr. RUSSELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Georgia?

Mr. GILLETTE. I am glad to yield.

Mr. RUSSELL. As the Senator knows, I come from the very center of the hominy-grits area of the United States, where people are taught to eat it from infancy. I understand that in the Senator's State they manufacture it, but that they do not eat it with the regularity they do down in the Southeast. I have sought in vain to buy hominy grits for breakfast ever since I have been in Washington, but have been unable to do so. I wonder whether the adoption of the amendment is likely to cause any shortage in hominy grits in this country. If it does, it would

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certainly strike a body blow at the diet of the South, if we did not have the grits with which to eat our gravy—when we have gravy.

Mr. GILLETTE. I am glad to answer the Senator that I am convinced the amendment will not do what he suggested. . . . .

Mr. PEPPER, Democrat, Florida. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from Florida.

Mr. PEPPER. Mr. President, I ask the Senator from Iowa if there is any possible inference that his amendment, if adopted, may include gravy. [Laughter.]

Mr. GILLETTE. Mr. President, I move the adoption of my amendent.

Mr. CONNALLY. Mr. President, I myself am a user of corn products in a small way. The difficulty with the amendment of the Senator from Iowa is that it will not bring about what the Senator wants to accomplish. I have a statement from Mr. Hoffman who says that to date the E.C.A. has approved for financing all the corn-flour, grits, and meal for which requests have been submitted by the participating countries. He says that such quantities, however, have been far less than 15 per cent of the total quantities of corn approved for financing. In other words, under this amendment we would have to send as much as 15 per cent abroad, and the people of Europe do not want so large a quantity.

The committee considered the amendment very carefully. While I deeply sympathize with the Senator from Iowa and think there is a good deal in what the Senator from Georgia has observed, that the people of the north and east will not eat cornbread, hominy grits, or many of the other products of corn, I think we should better spend the money in this country, trying to educate the people to use grits, hominy, cornbread, and foods of that kind, to much greater advantage to the economy of the United States than would be the case if we shipped them to Europe where they are not wanted.

The Administrator points out that since October 1948, when corn became plentiful in the United States, more than 80 per cent of the E.C.A. financed exports of corn have been used by the recipient countries for livestock feeding. There is no sense in sending them meal for livestock feeding. That is economically unsound. Instead of trying to educate European animals to eat a little more corn in a different form, we had better educate some of our people to eat a little more in forms that are wholesome and nourishing, but not fattening.

The committee voted down the amendment. I sympathize with the Senator from Iowa.

Mr. GILLETTE. Mr. President, I should like to say just a word before the vote.

Of course I appreciate the Senator's sympathy, and I value it very highly. The Senator has alluded to the very reason why the amendment should be adopted—the fact that the people of Europe, with no facilities for milling the whole corn and having no way of milling it except on a wheat basis, do not know the processed corn as the people of the southern United States know it.

In the Eightieth Congress the House of Representatives unanimously adopted this same amendment to the Foreign Assistance Act, and in connection with it this statement was made:

> The most persuasive argument in behalf of this amendment springs from the fact that in the main European countries do not have good milling facilities for corn. It must be milled in available mills abroad which are adapted to the grinding of wheat and the net result is that a high-grade quality of corn meal, corn grits, and corn flour cannot be produced in the mills abroad. This means an inferior product from the standpoint of nutritional and caloric value. That is highly important because the very purpose of the food commodities to be sent abroad is to build up the physical capacity of the people to reconstruct their own industrial economy and this, of course, requires products where every element of nutrition is carefully preserved.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa. [Putting the question.] The Chair is in doubt.

Mr. VANDENBERG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered. and the Chief Clerk proceeded to call the roll.

The result was announced—yeas 44, nays 35.

So Mr. Gillette's amendment was agreed to.

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Mr. MORSE, Republican, Oregon. Mr. President, I send to the desk an amendment and ask to have it read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 5, after line 7, it is proposed to insert the following new subsection:

> (j) To the maximum extent consistent with the accomplishment of the purpose of this title, the Administrator shall provide that the procurement of machinery and other commodities in the United States will be made on a fair competitive basis to enable small business to compete with big business, and shall issue regulations to provide for compliance.

SMALL BUSINESS

Mr. MORSE. Mr. President, I sought to discuss this amendment in connection with the amendment of the Senator from Nebraska [Mr. WHERRY] concerning small business a couple of days ago, but we became involved in the discussion of a little parliamentary problem and I thought a very bad precedent would have been set if I had discussed the matter at that time, because the suggestion was made, believe it or not, that the junior Senator from Oregon should agree to talk for five minutes. I thought that would be a very bad precedent to establish so I declined, and said that I would speak at a later hour. I now for the first time have the opportunity.

Mr. President, I wish to go back to the amendment of the Senator from Nebraska on small business which the chairman of the Committee on Foreign Relations so graciously and cooperatively agreed to take to conference. The amendment reads:

> (b) Section 104 of such act is amended by adding at the end thereof a new subsection as follows:
>
> "(g) There shall be in the Administration a Special Assistant to the Administrator in Charge of Small Business Liaison who shall be appointed by the Administrator. It shall be the duty of such Special Assistant to formulate methods whereby American small business will be assured equitable participation insofar as practicable in the furnishing of commodities and services for procurement with funds appropriated pursuant to this act. Such Special Assistant shall receive his instructions from the Administrator and shall report to the Administrator quarterly on the performance of the duties assigned to him."

Mr. President, I was hopeful the other day, while the colloquy to which I referred between the distinguished Senator from Nebraska and the distinguished Senator from Texas was proceeding, that the three of us could work out an arrangement whereby at least a part of the principle of my amendment might have been incorporated in the amendment which the Senator from Nebraska was successful in having taken to conference. That was the only purpose I had in mind, to save the time it would take to present my amendment independently; but I was not successful. I am not, however, going to speak about it at any great length.

Mr. President, the underlyiing principle of my amendment is no different from the underlying principle of the McCarran amendment on which the Senate voted a few moments ago, which was adopted by an overwhelming vote of the Senate. In the course of his discussion of his own amendment the Senator from Nevada pointed out that in conference with Mr. Hoffman, Mr. Hoffman had pointed out to him that the primary function of E.C.A. is to build up industry in the recipient countries. We all understand that, but I thought the Senator from Nevada [Mr. MCCARRAN] put it very well when he said that his reply to Mr. Hoffman was that E.C.A., however, should not be turned into an instrumentality for tearing down American business. I paraphrase the Senator, but I think that was the essence of his remarks. I add to that comment, Mr. President, that neither do I think E.C.A. should become an instrumentality for making American big business bigger. I think small business in America should have a break in connection with the administration of E.C.A., insofar as the letting of contracts is concerned.

Now, I know what Mr. Hoffman's answer will be, Mr. President. His answer will be that after all it is the purchasing commissions of the recipient countries which do the purchasing. That is true, Mr. President, but it is possible for the Congress to lay down the terms and conditions under which the purchases shall be made as a condition precedent to the granting of funds.

I simply state it as a matter of fact—and I want to emphasize it—that the evidence is overwhelming in support of the conten-

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tion of American small business that the result of the purchasing practices which have developed under E.C.A., in respect to goods purchased with E.C.A. money is that American small business is being discriminated against. I desire to read a letter dealing with that subject. I can produce a great many such letters. But I have said to the Senator from Texas [Mr. CONNALLY]—I trust he has not left the Chamber—I hoped I could be able to do a little mule-trading with him before I got through.

Mr. WHERRY, Republican, Nebraska. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nebraska for a question?

Mr. MORSE. I yield.

Mrr. WHERRY. I am certain the Senator from Texas will be on the floor in a moment. He was called off the floor. I am satisfied that when he comes back the Senator from Oregon will at least be able to make him a satisfactory proposition, and I hope that as the result of the trade the Senator from Oregon has mentioned there will not be any spavins on his amendment when he gets through.

Mr. MORSE. There is not a blemish on my amendment. I do not even have to offer a *caveat emptor* at this time. I can vouch for my amendment, I will say to the Senator from Nebraska. It is not necessary for Senators to look at it even through colored glasses.

In the absence of the Senator from Texas, I shall put a little bit of evidence in the RECORD in support of the major contention I am making in behalf of my amendment. That contention is that American small business is being discriminated against so far as the purchasing practices which have developed under E.C.A. are concerned.

I read, Mr. President, from a letter which I received from one small manufacturer.

Mr. CONNALLY. Mr. President, I stepped out of the Chamber for a moment. Does the Senator from Oregon wish to address a question to me?

Mr. MORSE. Yes. I will address some questions, if I may, to the Senator from Texas as soon as I finish reading the letter, which is as follows:

> Dear Senator: In reference to my visit to your office, I made a complaint on the inability of the small business men to get orders on the machinery sold through E.C.A. channels.
>
> My corporation represents a number of small manufacturers in the States of Washington, Oregon, and California, and we find that over 90 percent of the orders go directly to big business. The present methods employed by E.C.A. of dealing directly through commercial channels gives opportunity only to the firms that have been well established in Europe for many years.
>
> There are many complaints that you will find in the digest of the Small Business Committee reports (the hearings were held during the last several months). The only salvation for small business is to have the purchases of machinery made through a governmental agency, where this governmental agency will invite bids from competitive manufacturers.
>
> Such an agency is the Bureau of Federal Supply, which had a great deal of experience in purchasing various machinery during the war and postwar period. In the opinion of small business, as well as my own, the Bureau of Federal Supply had been inviting a large number of competitive manufacturers to bid on different machinery, and the final award in most cases was made to the lowest bidder. This system provided a fair chance for small business to participate in the orders sponsored by the United States Government and paid by the taxpayers.
>
> As a taxpayer and businessman, I feel that the distribution of orders for the machinery and commodities purchased in the United States through E.C.A. channels should be made on a fair competitive basis, where small business can compete with big business and receive their just awards.

Mr. President, the problem in regard to purchases with government funds not only through E.C.A., but in respect to other government funds, is a matter the Senate should go into. In my judgement, we should establish the principle, which I think is a perfectly fair one if we are going to protect equally all business concerns, that competitive bidding should be recognized. I think it is most unfortunate that we find our small manufacturers and small merchants in such a position that it is almost impossible for them to make sales through E.C.A. funds because, as the manufacturer who wrote me the letter points out, the foreign purchasers once removed from E.C.A. are doing the purchasing only through the large, well-established American concerns with French offices in Europe, which have been there for a great many years.

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What I should like to call the attention of the Senator from Texas to is this: Agreeing as I do with the Wherry amendment, which the Senator from Texas has agreed to take to conference, I wonder if it would be possible for the two of us to agree on the floor here and now that when the Senator from Texas takes the Wherry amendment to conference he will be willing, without it being formally adopted on the floor of the Senate, to raise the question in conference whether the Wherry amendment can be modified, if it meets with the consent of the conferees, in respect to setting up some system whereby American small business men can get a chance at some of these contracts through competitive bidding. I think that is the only fair and equitable principle we should follow. I want to be cooperative in regard to this matter. If I could have the assurance of the Senator from Texas that that matter will be taken up in conference without the formal adoption of my amendment, I shall be satisfied.

Mr. CONNALLY. Mr. President, I will say to the Senator from Oregon that I am entirely agreeable to his suggestion. The Wherry amendment, however, was adopted. We did not merely agree to take it to conference; it was adopted. But it will furnish the basis for negotiations around the idea presented by the Senator from Oregon. But there are difficulties in this matter, as the Senator no doubt is advised. The E.C.A. does not make these purchases itself. They are made by agents of the foreign governments. But I shall undertake to do what I can to incorporate some of the Senator's ideas into the Wherry amendment. I am sure the Senator from Nebraska would not be hostile to that view.

Mr. MORSE. In order to be sure that I understand the situation, let me say to the Senator from Texas that, as I understand, the Wherry amendment will be used as a basis for discussion in conference as to the advisability, if the conferees so decide, of trying to work out some system through the special administrator or special assistant the bill provides for, whereby small business may get a chance at some of these contracts through competitive bidding.

Mr. CONNALLY. That is what I said, and that is what I mean.

Mr. MORSE. That is perfectly satisfactory to me. You see, Mr. President, how easy it is to do business with the junior Senator from Oregon if Senators will only try. I withdraw my amendment. I thank the Senator from Texas.

The VICE PRESIDENT. The bill is still open to amendment. If there be no further amendments to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. CONNALLY. Mr. President. I ask for the yeas and nays.

The yeas and nays were ordered.

The bill S. 1209 was passed.

BILL

The bill as passed is as follows:

Be it enacted, etc., That the fifth sentence of of section 102 (a) of the Economic Cooperation Act of 1948 is amended by inserting after "United States" where it appears therein the first time "to encourage the unification of Europe, and."

SEC. 2. (a) The second sentence of section 104 (e) of the Economic Cooperation Act of 1948 is hereby amended by striking out "$10,000 per annum" and inserting in lieu thereof "the highest rate authorized by such act."

(b) Section 104 of such act is amended by adding at the end thereof a new subsection as follows:

"(g) There shall be in the Administration a Special Assistant to the Administrator. It shall be the duty of such Special Assistant to formulate methods to assist American small business in securing equitable participation, insofar as practicable, in the furnishing of commodities and services for the procurement with funds appropriated pursuant to this act. Such Special Assistant shall receive his instructions from the Administrator and shall report to the Administrator quarterly on the performance of the duties assigned to him."

SEC. 3. Section 108 of such act is hereby amended by adding at the end thereof the following new paragraph:

"There shall be a Deputy United States Special Representative in Europe who shall (a) be appointed by the President, by and with the ad-

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vice and consent of the Senate, (b) be entitled to receive the same compensation and allowances as a chief of mission, class 3, within the meaning of the act of August 13, 1946 (60 Stat. 999), and (c) have the rank of ambassador extraordinary and plenipotentiary. The Deputy United States Special Representative shall perform such functions as the United States Special Representative shall designate, and shall be Acting United States Special Representative during the absence or disability of the United States Special Representative or in the event of a vacancy in the office of the United States Special Representative."

SEC. 4. The last sentence of Section 109 (a) of such act is hereby amended by striking out the period and inserting in lieu thereof a semicolon and the following: "and the chief of the special missions shall be entitled to receive the same compensation and allowances as a chief of missions, class 4, within the meaning of the act of August 13, 1946 (60 Stat. 999), or compensation and allowances in accordance with Section 110 (a) of this title, as the Administrator shall determine to be necessary or appropriate."

SEC. 5. Section 111 (a) (2) of such act is amended by inserting before the period at the end thereof "for United States flag vessels"

SEC. 6. (a) The first proviso of section 111 (b) (3) of such act is hereby amended by striking out "in the first year after the date of the enactment of this act does not exceed $15,000,000" and insert in lieu thereof "made in any fiscal year does not exceed $10,000,000."

(b) The last two sentences of such section 111 (b) (3) are hereby amended to read as follows: "The total amount of the guaranties made under this paragraph (3) shall not exceed $300,000,000, and as such guaranties are made the authority to realize funds from the sale of notes for the purpose of extending assistance on credit terms through allocating funds to the Export-Import Bank of Washington under paragraph (2) of subsection (c) of this section shall be accordingly reduced. After the amount of notes sold for the purpose of extending assistance on credit terms through allocation of funds to the Export-Import Bank of Washington under paragraph (2) of subsection (c) of this section and the amount of guaranties made reach in the aggregate $1,000,000,000, any further guaranty made by the Administor shall create an obligation against funds appropriated under authority of this title and the Administrator shall notify the Secretary of the Treasury of the issuance of such guaranty and of the maximum liability thereunder, and the Secretary of the Treasury shall then set aside on the books of the Treasury from the funds appropriated under this title an amount equal to the maximum liability under such guaranty as stated in such notification, which amount shall be available for expenditure to discharge liability under such guaranty, by the Administrator or by an agency designated by him, until such time as the liability under such guaranty shall have been discharged or shall expire. Any payments made to discharge liabilities under guaranties issued under paragraph (3) of this subsection shall be paid out of fees collected under subparagraph (ii) of paragraph (3) of this subsection as long as such fees are available, and thereafter shall be paid either out of funds realized from the sale of notes which shall be issued under authority of paragraph (2) of subsection (c) of this section or out of funds appropriated under authority of this title and set aside on the books of the Treasury as hereinabove provided."

SEC. 7. (a) Section 112 (c) of such act is amended by striking out "25 percent" and inserting in lieu thereof "15 percent"; and by adding at the end thereof the following new sentence: "The amounts of corn and corn grits, corn meal, and corn flour produced in the United States to be transferred by grant to the participating countries shall be so determined that the total quantity of United States corn used to produce the corn grits, corn meal, and corn flour procured in the United States for transfer by grant to such countries under this title shall not be less than 15 percent of the aggregate of the unprocessed corn and corn in the form of corn grits, corn meal, and corn flour procured in the United States for transfer by grant to such countries under this title."

(b) Section 112 of such act is hereby amended by adding at the end thereof the following new subsection:

"(i) No funds authorized for the purposes of this title shall be used for the purchase in bulk of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to price-support programs required by law) at prices higher than the market price prevailing in the United States at the time of the purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment."

(c) Section 112 (d) of such act is hereby amended by adding after the words "any agricultural commodity, or product thereof" the following: "or class, type, or specification thereof."

SEC. 8. (a) The first sentence of section 114 (c) of such act is hereby amended by striking out the period and inserting in lieu thereof a colon and the following: *"Provided further,* That in addition to the amount heretofore authorized and appropriated there are hereby authorized to be appropriated for carrying out the provisions and accomplishing the purposes of this title not to exceed $1,150,000,000 for the period April 3, 1949, through June 30, 1949, and not to exceed $4,280,000,000 for the fiscal year ending June 30, 1950: *Provided further,* That in addition to the foregoing any balance, unobligated as of June 30, 1949, or subsequently released from obligation, of funds appropriated for carrying out and accomplishing the purposes of this title for any period ending on or prior to that date is

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hereby authorized to be made available for obligation through the fiscal year ending June 30, 1950, and to be transferred to and consolidated with any appropriations for carrying out and accomplishing the purposes of this title for said fiscal year. To enable the Administrator to finance such transfers of capital goods items, or of commodities and services allocated to projects, as may not be made by June 30, 1950, the Administrator is authorized prior to such date to obligate the United States to make expenditures after such date in an aggregate amount not to exceed $150,000,000, which amount shall be in addition to the amounts above authorized."

(b) The last sentence of such section 114 (c) is hereby amended to read as follows: "The authorizations in this title are limited to the periods indicated in order that the Congress may pass on any subsequent authorizations."

SEC. 9. Section 114 of such act is hereby amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding the provisions of any other law, until such time as an appropriation additional to that made by title I of the Foreign Aid Appropriation Act, 1949 (Public Law 793, 80th Cong.), shall be made pursuant to subsection (c) of this section for the period April 3, 1949, through June 30, 1949, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $750,000,000 to carry out the provisions of this title, in such manner, at such times and in such amounts as the Administrator shall request, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purpose of this title."

SEC. 10. (a) Section 115 (b) (6) of such act is hereby amended by striking out the period following the words "grant basis" and inserting in lieu thereof a colon and the following *"Provided,* That the obligation to make such deposits may be waived, in the discretion of the Administrator, with respect to technical information or assistance furnished under section 111 (a) (3) of this title and with respect to ocean transportation furnished on United States flag vessels under section 111 of this title in an amount not exceeding the amount, as determined by the Administrator, by which the charges for such transportation exceed the cost of such transportation at world market rates."

(b) Such section 115 (b) (6) is further amended by inserting after "or for such other expenditures as may be consistent with" the words "the declaration of policy contained in section 102 and."

(c) Section 115 of such act is hereby amended by adding at the end thereof the following new subsections:

"(h) Not less than 5 percent of each special local currency account established pursuant to paragraph (6) of subsection (b) of this section shall be allocated to the use of the United States Government for expenditure for materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources or for other local currency requirements of the United States.

"(i) (1) The Administrator shall, to the greatest extent practicable, without detriment to the European recovery program, initiate projects for and assist the appropriate agencies of the United States Government in procuring and stimulating increased production in participating countries of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources; and in furtherance of those objectives the Administrator shall, in addition to the local currency allocated pursuant to subsection (h), use such other means available to him under this title as he may deem appropriate.

"(2) In furtherance of such objectives and within the limits of the appropriations and contract authorizations of the Bureau of Federal Supply to procure strategic and critical materials, the Administrator, with the approval of the Director of such Bureau, shall enter into contracts in the name of the United States for the account of such Bureau for the purchase of strategic and critical materials in any participating country. Such contracts may provide for deliveries over definite periods, but not to exceed 20 years in any contract, and may provide for payments in advance of deliveries.

"(3) Nothing in this subsection shall be deemed to restrict or limit in any manner the authority now held by any agency of the United States Government in procuring or stimulating increased production of the materials referred to in paragraph (1) and (2) in countries other than participating countries."

(d) Section 115 (d) of such act is amended to read as follows:

"(d) The Administrator shall encourage each participating country to insure, by an effective follow-up system, that efficient use is made of the commodities, facilities, and services furnished under this title. In order further to insure that each participating country makes efficient use of such commodities, facilities, and services, and of its own resources, the Administrator shall encourage the joint organization of the participating countries referred to in subsection (b) of this section to observe and review the operation of such follow-up systems."

SEC 11. (a) The first sentence of section 117 (c) of such act is hereby amended by striking out the period at the end thereof and inserting a colon and the following: *"Provided,* That the Administrator shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to any participating foreign country, regardless of methods of

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shipment and higher rates charged by particular agencies of transportation, but this proviso shall not apply to shipments made by individuals to individuals through the mails."

(b) Section 117 of such act is amended by adding at the end thereof a new subsection as follows:

"(e) Whenever the Administrator shall determine that the shipping capacity available to Italy is inadequate for such emigration from Italy as may be desirable to further the purposes of this title, the United States Maritime Commission shall, notwithstanding any other provision of law and without reimbursement by the Administrator, make available to Italy, under such terms and conditions as may be determined by the Administrator, not more than 10 vessels capable of engaging in such service, for the purpose of transporting emigrants from Italy to parts of the world other than the United States: *Provided*, That title to any such vessels which are owned by the United States Government shall remain in the United States, and any or all of such vessels shall be returned forthwith upon demand of the President, and in any event not later than June 30, 1952."

SEC. 12. (a) Sections 105 (c) and 117 (d) of such act are amended by striking out "section 6 of the act of July 2, 1940 (54 Stat. 714), as amended" and inserting in lieu thereof "the Export Control Act of 1949."

(b) Section 112 (g) of such act is amended by striking out "section 6 of the act of July 2, 1940 (54 Stat. 714), including any amendment thereto" and inserting in lieu thereof "the Export Control Act of 1949."

(c) That section 112 is hereby amended by adding at the end thereof the following new subsection:

"(j) The Administrator shall, in providing assistance in the procurement of commodities in the United States, make available United States dollars for marine insurance on such commodities where such insurance is placed on a competitive basis in accordance with normal trade practices prevailing prior to the outbreak of World War II. In the event any participating country directly or indirectly prevents United States companies from competing for marine insurance on commodities procured in the United States with funds from the Economic Cooperation Administration, the Administrator shall require that all marine insurance on such commodities procured with such funds and shipped to such countries shall be insured with companies authorized to do a marine insurance business in the United States."

SEC 13. A amount, equal to any balance, unobligated as of April 2, 1949, or subsequently released from obligation, of funds appropriated by Public Law 793, approved June 28, 1948, for the purposes of the China Aid Act of 1948 is hereby made available to the President for obligation through February 15, 1950, for assistance to areas in China which he may deem to be not under Communist domination, to be furnished in such manner and on such terms and conditions as he may determine without regard to the foregoing provisions of this act.

SEC. 14. The Administrator shall, in providing for the procurement of commodities under authority of this title, take such steps as may be necessary to assure, as far as is practicable, that at least 50 percent of the gross tonnage of commodities procured out of funds made available under this title and transported to or from the United States on ocean vessels, computed separately for dry bulk carriers, dry cargo liner, and tanker services, is so transported on United States flag vessels to the extent such vessels are available at market rates for United States flag vessels; and, in the administration of this provision, the Administrator shall, insofar as practicable and consistent with the purposes of this title, endeavor to secure a fair and reasonable participation by United States flag ships in cargoes by geographic area.

SEC. 15. Section 112 of such act is hereby amended by adding at the end thereof the following new subsection:

"(j) No funds authorized for the purposes of this title shall be used for the payment of charges incurred after 60 days after the effective date of this amendment for charter hire, freight or passenger charges, or for any other purpose, to, on behalf of, or for the account of any vessel documented under the laws of any foreign country not a participating country unless, in the case of individuals the owner or owners of such vessel is a national of the country, and in the case of a corporation a majority of the voting power or controlling interest is vested in nationals of the country, under whose laws such vessel is documented. In administering this provision the Administrator may rely on the certificate of the owner of any vessel as to the nationality of such owner if an individual and as to the nationality of the controlling interest or majority stock ownership in the case of a corporation."

SEC. 16. The second sentence of section 118 of such act is amended by inserting before the period at the end thereof "or (3) the provision of such assistance would be inconsistent with the obligations of the United States under the Charter of the United Nations to refrain from giving assistance to any state against which the United Nations is taking preventative or enforcement action."

No funds authorized for the purposes of this act shall be allocated to or expended for any foreign government for the purpose of expenditures for the advertising of foreign products in this country nor for advertising foreign travel in this country.

Mr. CONNALLY. Mr. President, I wish to express my deep sense of appreciation for the action of the Senate and its courtesy and consideration during the time we have had this bill before us. This is the second

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chapter, as it were, in an act more generous and more far-reaching than any other in the history of all the centuries which have rolled around. Under this act we are expending billions of dollars, not for destruction, not for vengeance, but to rebuild and reconstruct the economy of the countries of western Europe and other countries which may become participants in this program. We do this, Mr. President, with two motives: A desire to see the economy of western Europe rehabilitated, but in another sense, a desire to preserve and maintain and strengthen the peace of the world to which the United States is devoted.

I thank every Senator for his cooperation.

The City Council of Manchester, England, told architect Joseph Sunlight not long ago that "you can't take it with you." The Council refused Mr. Sunlight permission to build a 38 foot, $4,000,000 tombstone for himself outside his office building in Manchester. Mr. Sunlight demanded a public inquiry.

An orator at a Communist meeting in Pisa, Italy, was warming up to his subject.

"Down with war!" he shouted. "Death to the Atlantic Pact! Look what great, motherly, benevolent Russia is doing! Long live peace!"

He then gestured toward attendants who were supposed to release some doves. Instead a field rat ran suddenly along the balcony rail and plunged into the orchestra. The audience of 500 women fled from the rally in panic.

Translations of tablets discovered in the Iraq Museum in Baghdad last year by Albrecht E. R. Goetze, of Yale University, show that price controls were used at least 3,800 years ago in the ancient Babylonian kingdom of Eshnunna. The laws, believed to be the oldest code of laws in the world, set the price for a bushel of grain at one shekel of silver, or about one-quarter ounce of the metal. The laws were not limited to commodities—they applied also to wages and services. Thus the hire of a donkey cost 40 quarts of grain and the wages for its driver were the same price.

A Parisian had been having trouble with his telephone. Somehow his wire had become crossed with that of the Service and Complaint Department of the phone company, and he had been getting all the abuse meant for that government-operated body.

Exasperated because his protests to the Ministry of Communication produced no results, he told everyone who called him up that all the ills of the telephone could be cured by immersing the receiver and transmitter in boiling water for an hour. Astonishingly enough, a substantial number of the complainants took this advice literally.

The Ministry, finally tracking down the subscriber giving this counsel, sued him, alleging criminal destruction of state property. He has filed a countersuit, charging the Ministry with trying him beyond human endurance, for which grievous injury he demands 100,000 francs ($466).

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